

# **BACKGROUND STUDY OF THE ECONOMIES AND INTERNATIONAL TRADE PATTERNS OF THE COUNTRIES OF NORTH AMERICA, CENTRAL AMERICA, AND THE CARIBBEAN**

**Report on Investigation  
No. 332-119 Under Section 332  
of the Tariff Act of 1930**

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## Introduction

On October 10, 1980, at the direction of the President, the United States Trade Representative (USTR) requested that the United States International Trade Commission prepare a background study on the economic structures and international trade patterns of the United States, Canada, Mexico, and other North American countries. Accordingly, on November 13, 1980, the United States International Trade Commission instituted investigation 332-119, Background Study of the Economies and International Trade Patterns of the Countries of North America, Central America and the Caribbean. This investigation will provide materials for incorporation into the USTR response to section 1104 of the Trade Agreements Act of 1979, which directs the President to:

. . . study the desirability of entering into trade agreements with countries in the northern portion of the western hemisphere to promote the economic growth of the United States and such countries and the mutual expansion of market opportunities and report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate his findings and conclusions.

The United States International Trade Commission investigation on the economies and trade relationships of North American countries will be incorporated into the President's report to Congress, as chapters III and IV of the outline that was developed by the Trade Policy Staff Committee (TPSC). Primary emphasis is given to the economies and trade relationships of the three largest North American economies: The United States, Canada, and Mexico; however, the report also covers Central America and the Caribbean (excluding Cuba) to a limited extent. 1/

This report was prepared principally in the Commission's Office of Economics, which analyzed economic output, price levels, resource endowments, labor characteristics, capital and investment, infrastructure, taxes and governmental regulations, patterns of merchandise trade, exchange rate trends, and the present degree of trade integration in the North American market. The Office of Industries contributed analyses of key industrial sectors and growth areas for North American exports.

This report was principally prepared by Martin F. Smith, Barbara G. Norton, Hilliard H. Goodman, Patricia G. Marx, Bruce Guthrie, and Norman Elrod.

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1/ Central America includes Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, and Panama. The Caribbean includes the Bahamas, Barbados, the Dominican Republic, the French West Indies (Guadeloupe, Martinique, northern St. Martin, and lesser islands), Haiti, Jamaica, the Netherlands Antilles (Curacao, Aruba, Bonaire, Saba, St. Eustatius, and southern St. Martin), and Trinidad and Tobago. Bermuda, the Cayman Islands, the Turks and Caicos Islands, and the Leeward and Windward Islands (St. Christopher-Nevis-Anguilla, the British Virgin Islands, Antigua, Montserrat, Dominica, St. Lucia, St. Vincent, and Grenada) are also included where indicated. While recognizing that there are differences among countries, we have shown some of the data for Central America and the Caribbean in aggregated form to simplify the presentation. In many cases, data for individual countries are available in the original source material.





## CHAPTER III

THE BROAD ECONOMIC CONTEXT OF NORTH AMERICAN RELATIONS:  
COMPARATIVE ANALYSIS

## Comparisons of Economic Output, Population, and Per Capita Income

The following sections describe economic output, population, and per capita income levels and trends for the United States, Canada, Mexico, Central America, and the Caribbean. <sup>1/</sup> Changes in the composition of economic output for all areas are discussed and more detailed information for the United States, Canada, and Mexico is provided.

Economic output and per capita income

In 1978, the United States accounted for about 87 percent of the combined gross national product (GNP) of the United States, Canada, Mexico, Central America, and the Caribbean. Canada and Mexico followed with 8 and 4 percent, respectively, of the region's total GNP.

Per capita GNP was much higher in the United States and Canada than in the rest of the region, reaching \$9,728 in the United States and \$8,242 in Canada in 1978 (table III-1). Mexico's 1978 per capita GNP (\$1,290) was much nearer levels in Central America and the Caribbean.

Canada led the region in rate of GNP per capita growth during 1960-78, achieving an average annual growth rate of 3.5 percent. Mexico's GNP per capita grew at an average annual rate of 2.7 percent, and GNP per capita growth rates for the United States, Central America, and the Caribbean were 2.4, 2.3, and 1.9 percent during this period.

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<sup>1/</sup> This report does not include information on Cuba. Cuba is a nonmarket economy country and a member of the Council for Mutual Economic Assistance (CEMA) which includes the Soviet Union, Poland, East Germany, Czechoslovakia, Hungary, Romania, Bulgaria, Mongolia, and Vietnam. In 1979, Cuba conducted 88.5 percent of its total world trade with other CEMA countries (80 percent with the Soviet Union), and the remaining 11.5 percent with Western countries. These shares were somewhat atypical; over the past 5 years, Cuba's trade with other CEMA countries has averaged about 75-80 percent of its total trade, and in 1980 trade with CEMA countries is estimated to have accounted for approximately 70 percent of Cuba's total trade. The volume of Cuba's trade with the West is highly dependent upon world sugar prices--the higher world sugar prices, the more Cuban exports to the West. Other Cuban exports include citrus fruits and nickel (Cuba is the world's 4th largest nickel producer).

In 1979, Canada's imports from Cuba totaled \$91 million; exports were \$220 million. Mexican imports from Cuba in 1979 totaled \$5 million and exports were \$35 million. Mexican imports from Cuba in 1980 are expected to be somewhat more than \$5 million owing to large Mexican purchases of Cuban sugar. The United States exported \$298,823 worth of goods to Cuba in 1979; imports totaled \$152,338. U.S. trade with Cuba has been under an embargo <sup>3</sup> since February 7, 1961, when President Kennedy, acting under the authority of Section 602(a) of the Foreign Assistance Act of 1962, as amended, issued Presidential Proclamation 3447 that declared the embargo. A limited amount of trade is allowed under special permits of the U.S. Department of Commerce and U.S. Department of the Treasury.

Table III-1.--Gross National Product (GNP) statistics for the United States, Canada, Mexico, Central America, and the Caribbean and selected Central American and Caribbean countries

Country and region	GNP in 1978	GNP per capita, 1978	Average annual growth rate of GNP per capita, 1960-78
	<u>Billion dollars</u>		<u>Percent</u>
United States-----	2,127.6	\$9,728	2.4
Canada-----	193.7	8,242	3.5
Mexico-----	86.4	1,290	2.7
Central America <sup>1/</sup> -----	18.5	876	2.3
Guatemala-----	6.2	910	2.9
El Salvador-----	2.9	660	1.8
Honduras-----	1.7	480	1.1
Nicaragua-----	2.0	840	2.3
Costa Rica-----	3.2	1,540	3.3
Panama-----	2.4	1,290	2.9
Other Central America-----	.1	<sup>2/</sup>	<sup>2/</sup>
Caribbean <sup>3/</sup> -----	12.8	876	1.9
Dominican Republic-----	4.7	910	3.5
Haiti-----	1.3	260	.2
Jamaica-----	2.4	1,110	2.0
Trinidad and Tobago-----	3.3	2,910	2.2
Other Caribbean-----	1.1	<sup>2/</sup>	<sup>2/</sup>

<sup>1/</sup> Central America includes Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, and Belize. Totals for Central America were estimated from available data.

<sup>2/</sup> Not available.

<sup>3/</sup> The Caribbean includes the Dominican Republic, Haiti, Jamaica, Trinidad and Tobago, Guadeloupe, Martinique, the Netherlands Antilles, Barbados, the Bahamas, and the Turks and Caicos Islands. Totals for the Caribbean were estimated from available data.

Source: World Development Report, 1980, World Bank; International Financial Statistics, International Monetary Fund.

## Population

Table III-2 shows population in 1979, population growth rates, and projected population for the United States, Canada, Mexico, Central America, and the Caribbean. In 1979, the United States population was nearly 221 million, about 63 percent of the region's population. Mexico ranked second, Canada third, followed by Central America and the Caribbean.

Population growth slowed during 1970-78, compared with 1960-70, in most areas; average annual population growth slowed from 1.3 percent to 0.8 percent in the United States, from 1.8 percent to 1.2 percent in Canada, and from 3.0 percent to 2.9 percent in Central America. However, in Mexico and the Caribbean average annual population growth in both periods remained unchanged at 3.3 percent for Mexico and 2.1 percent for the Caribbean.

From 1980 to 2000, the regional population is expected to increase by nearly 30 percent. As seen in figure III-1, estimates for Mexico show the greatest increase, accounting for 20 percent of the regional total in 1980 and 25 percent by 2000. In 1980, Mexico's projected population was about 30 percent of that of the United States; by 2000, it is estimated that Mexico's population will be nearly half as large as the U.S. population.

## Growth and composition of economic output

Table III-3 describes the growth and composition of gross domestic product (GDP) for the United States, Canada, Mexico, Central America, and the Caribbean. For most countries, average annual GDP growth rates were lower in 1970-78 than in 1960-70. Mexico and Central America had higher GDP growth rates than the United States and Canada. In 1960-70, Mexico grew at an annual average of 7.2 percent; Central America, 6.0 percent; Canada, 5.6 percent; and the United States, 4.3 percent. In 1970-78, Mexico grew at an annual average of 5.0 percent; Central America, 5.1 percent; Canada, 4.4 percent; and the United States, 3.0 percent.

United States and Canada.--In the United States and Canada, the services sector accounted for a larger portion of GDP in 1978 than in 1960, growing from 58 to 63 percent in the United States and from 60 to 65 percent in Canada. Shares of agricultural and manufacturing sectors were lower in 1978 than in 1960. From 1960 to 1978, the manufacturing sector, as a share of total GDP, fell from 29 to 24 percent in the United States and from 23 to 19 percent in Canada. Nonmanufacturing industry <sup>1/</sup> in both countries grew slightly relative to other sectors in 1960-78, rising from 9 to 10 percent in the United States and from 11 to 12 percent in Canada.

Mexico, Central America, and the Caribbean.--In Mexico, Central America, and the Caribbean both manufacturing and nonmanufacturing industrial sectors assumed a larger share of GDP in 1978 than in 1960, while shares of agricultural and services sectors declined. Interestingly, by 1978, Mexico's manufacturing sector supplied a larger portion of total GDP (28 percent) than manufacturing sectors of the United States (24 percent) and Canada (19 percent). Manufacturing sectors in Central America and the Caribbean also accounted for larger shares of GDP in 1978 than in 1960, rising from 14 to 17 percent in Central America and from 17 to 18 percent in the Caribbean. In<sup>5</sup> spite of trends in structural change, the agricultural sector forms a much

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<sup>1/</sup> Includes mining, construction, and utilities (electricity, gas and water).

Table III-2.—Population statistics for the United States,  
Canada, Mexico, Central America, and the Caribbean

Country and region	Population		Average annual growth rate of population		Projected population	
	in 1979					
			1960-70	1970-78	1980	2000
	Millions		Percent	Percent	Millions	Millions
United States-----	220.58		1.3	0.8	225	252
Canada-----	23.69		1.8	1.2	24	28
Mexico-----	69.38		3.3	3.3	70	116
Central America <u>1</u> /---	21.97		3.0	2.9	23	38
Guatemala-----	7.05		2.8	2.9	7	12
El Salvador-----	4.66		2.9	2.9	5	8
Honduras-----	3.56		3.1	3.3	4	7
Nicaragua-----	2.48		2.9	3.3	3	5
Costa Rica-----	2.19		3.4	2.5	2	3
Panama-----	1.88		2.9	2.6	2	3
Belize-----	<u>2</u> / .15		<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /
Caribbean <u>4</u> /-----	14.90		2.1	2.1	14	24
Dominican Republic--	5.28		2.9	2.9	5	9
Haiti-----	4.92		1.5	1.7	5	8
Jamaica-----	2.16		1.4	1.7	2	3
Trinidad and Tobago:	<u>2</u> / 1.15		2.0	1.2	1	2
Guadeloupe-----	<u>2</u> / .33		<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /
Martinique-----	<u>2</u> / .33		<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /
Netherlands						
Antilles-----	.26		<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /
Barbados-----	.25		<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /
Bahamas-----	.22		<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /
Turks and						
Caicos Islands---	<u>2</u> / .01		<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /

1/ Central America includes Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, and Belize. Totals for Central America were estimated from available data.

2/ Estimated from available data.

3/ Not available.

4/ The Caribbean includes the Dominican Republic, Haiti, Jamaica, Trinidad and Tobago, Guadeloupe, Martinique, the Netherlands Antilles, Barbados, the Bahamas, and the Turks and Caicos Islands. Totals for the Caribbean were estimated from available data.

Source: World Development Report, 1980, World Bank; International Financial Statistics, International Monetary Fund.

FIGURE III-1.-- PROJECTED POPULATION FOR THE UNITED STATES, CANADA, MEXICO, CENTRAL AMERICA, AND THE CARIBBEAN, 1980 AND 2000

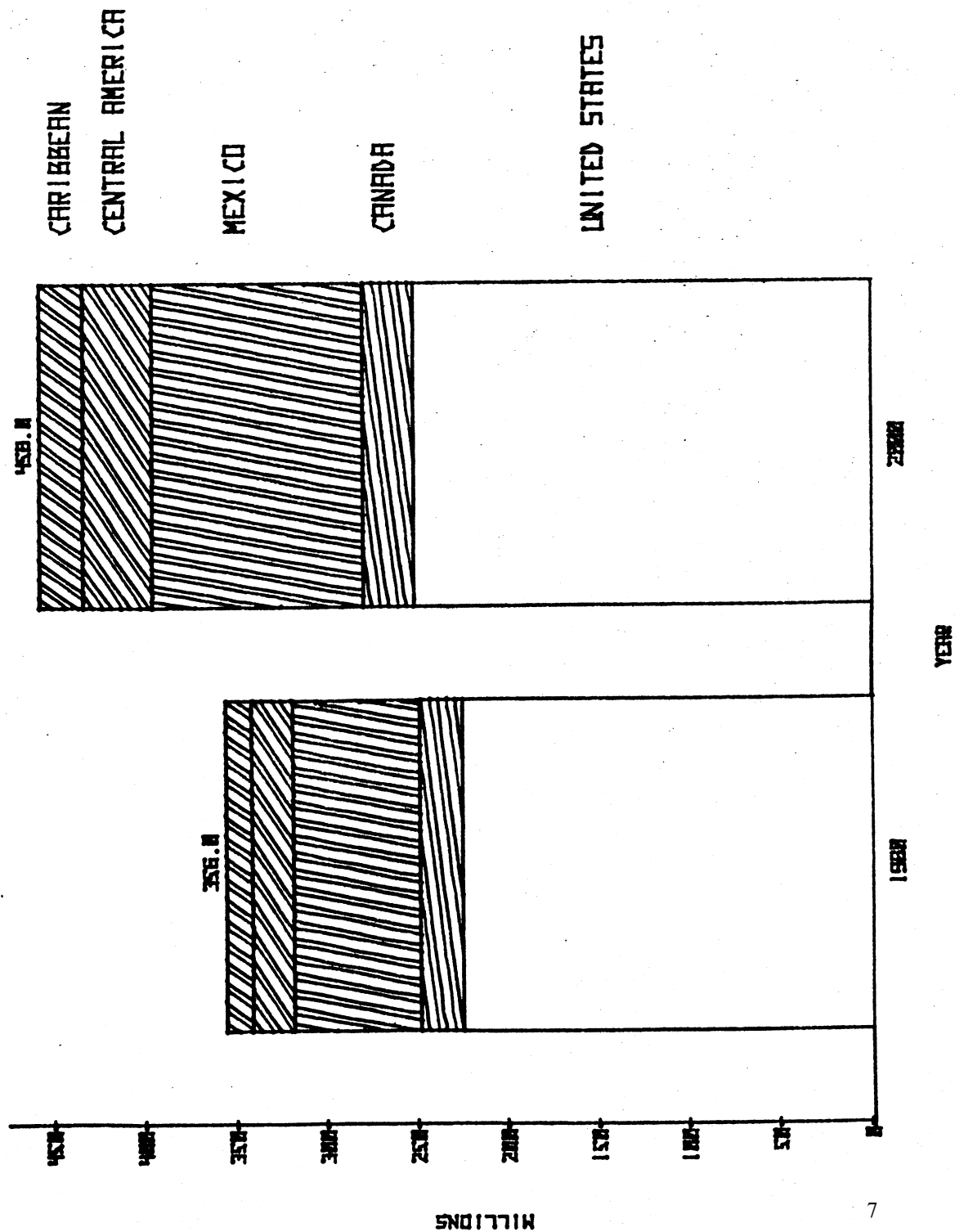


Table III-3.—Gross Domestic Product (GDP) in 1979; average annual growth of GDP, total and by sectors, 1960-70 and 1970-78; and distribution of GDP by sectors, 1960 and 1978; for the United States, Canada, Mexico, Central America, and the Caribbean

	Average annual growth rate of GDP (percent)									
	Agriculture		Industry		Manufacturing 1/		Services 2/		Total	
	1960-70	1970-78	1960-70	1970-78	1960-70	1970-78	1960-70	1970-78	1960-70	1970-78
1979 GDP										
Billion dollars										
United States	2,343.5	0.3	0.9	5.2	2.7	5.3	4.3	3.4	4.3	3.0
Canada	229.2	3/ 2.5	2.7	3/ 6.8	3.7	3/ 6.7	3/ 5.5	4.8	5.6	4.4
Mexico	119.9	3.8	2.1	9.1	6.2	9.4	7.0	4.8	7.2	5.0
Central America 4/	20.1	4.8	3.5	8.2	6.7	8.4	5.8	5.2	6.0	5.1
Caribbean 5/	14.5	.9	2.4	3.7	6.6	3.1	3.2	4.5	2.9	4.5
Distribution of GDP (percent)										
	Agriculture		Industry		Manufacturing 1/		Services 2/		Total	
	1978	1960	1978	1960	1978	1960	1978	1960	1978	1978
United States	4	3	38	34	29	24	58	63	100	100
Canada	6	4	34	31	23	19	60	65	100	100
Mexico	16	11	29	37	23	28	55	52	100	100
Central America 4/	30	27	20	24	14	17	50	48	100	100
Caribbean 5/	20	16	29	36	17	18	50	48	100	100

1/ Subhead of industry.

2/ The services sector includes wholesale and retail trade, restaurants, and hotels; transport, storage and communication; financing, insurance, real estate, and business services; and community, social, and personal services.

3/ 1961-70.

4/ Central America includes Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, and Belize. Totals for Central America were estimated from available data.

5/ The Caribbean includes the Dominican Republic, Haiti, Jamaica, Trinidad and Tobago, Guadeloupe, Martinique, the Netherlands Antilles, Barbados, the Bahamas, and the Turks and Caicos Islands. Totals for the Caribbean were estimated from available data.

Source: World Development Report, 1980, the World Bank; International Financial Statistics, International Monetary Fund.

larger share of total GDP for the developing Central American and Caribbean countries, and even for Mexico, than for the more industrially developed United States and Canada.

National accounts statistics for the United States, Canada, and Mexico.--Table III-4 shows 1970-79 GNP 1/ in 1975 prices and other national accounts statistics for the United States, Canada, and Mexico. 2/ Real GNP (in 1975 prices) in 1970-79 rose 33 percent in the United States and 26 percent in Canada, but fell 12 percent in Mexico. In 1979, GNP in 1975 prices was \$1,820.4 billion in the United States, \$162.1 billion in Canada, and \$52.7 billion in Mexico.

During 1970-74, the GNP for Canada and Mexico grew faster than it did for the United States; real GNP grew 28 percent in Canada, 26 percent in Mexico, and 13 percent in the United States. However, in 1975-79 real GNP rose 19 percent in the United States and fell 0.4 percent in Canada and 33 percent in Mexico. 3/

Exports as a share of GNP rose in all three countries during 1970-79. Canada had the highest ratio of exports to GNP in 1979 (28.6 percent), followed by Mexico (11.6 percent), and the United States (9 percent).

Government consumption as a share of GNP in 1979 was highest in the United States (20.1 percent), next highest in Canada (19.7 percent), and somewhat lower in Mexico (11.5 percent). During 1970-79, the ratio in the United States trended slightly down, and in Canada a slight rising trend was apparent. In Mexico, Government consumption as a share of GDP rose considerably, from 7.8 percent in 1970 to 11.5 percent in 1979.

Private consumption as a share of GNP remained fairly steady in the United States and Canada during 1970-79, reaching 63.7 percent in the United States and 57.8 percent in Canada in 1979. In Mexico, private consumption as a share of GDP fell from 74.2 percent in 1970 to 62.1 percent in 1979.

In 1979, GNP per capita in 1975 prices was \$8,253 in the United States, \$6,841 in Canada, and \$760 in Mexico. As seen in figure III-2, real United States per capita GNP fell below real Canadian per capita GNP in 1974 and remained close to Canadian values in 1975 and 1976. During 1976-78, real Canadian GNP per capita dipped sharply and real GNP per capita in the United States began a rising trend. In 1978, real GNP per capita in Canada began (and in the United States continued) to rise gradually. Real Mexican GDP per capita showed very little change during 1970-75, fell more than 38 percent in 1976 (when the dollar/peso exchange rate changed) and then held fairly level during 1977-79.

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1/ For Mexico, GDP is used instead of GNP.

2/ Gross national product equals gross domestic product plus the income accruing to domestic residents arising from investment abroad less income earned in the domestic market accruing to foreigners abroad.

3/ The sudden sharp fall in the dollar value of Mexico's GDP was largely a result of exchange rate changes. An exchange rate of 12.5 pesos per dollar was maintained until 1975. Spurred by accelerating inflation, the rate was increased to 19.95 pesos per dollar in 1976. Further increases occurred in 1977 and 1979. If the earlier exchange rate had been used, real Mexican GDP would have shown an apparent increase of nearly 22 percent in 1975-79.

Table III-4.--Selected national accounts statistics for the United States, Canada, and Mexico, 1970-79

Country	Gross national product (GNP) 1/	GNP 1/ per capita	Government consumption/ GNP 1/	Private consumption/ GNP 1/	Exports/ GNP 1/	GNP 1/ at 1975 prices	GNP 1/ per capita at 1975 prices
	Billion dollars		Percent	Percent	Percent	Billion dollars	
United States:							
1970-----	982.4	\$4,820	22.3	63.0	5.5	1,367.3	\$6,709
1971-----	1,063.4	5,157	22.0	62.8	5.3	1,408.3	6,829
1972-----	1,171.1	5,624	21.6	62.6	5.3	1,489.1	7,151
1973-----	1,306.6	6,226	20.6	62.0	6.7	1,570.4	7,483
1974-----	1,412.9	6,684	21.4	63.0	8.0	1,548.5	7,325
1975-----	1,528.8	7,159	22.1	64.0	8.4	1,528.8	7,159
1976-----	1,702.2	7,912	21.2	64.0	8.3	1,618.7	7,524
1977-----	1,899.5	8,758	20.9	63.7	7.9	1,704.5	7,859
1978-----	2,127.6	9,728	20.5	63.5	8.3	1,779.2	8,135
1979-----	2,368.8	10,739	2/ 20.1	63.7	9.0	1,820.4	8,253
Canada:							
1970-----	84.7	3,975	19.4	58.7	23.5	129.0	6,051
1971-----	93.9	4,349	19.5	58.7	22.6	138.6	6,418
1972-----	105.1	4,818	19.4	58.8	22.5	147.8	6,772
1973-----	124.1	5,622	18.6	57.7	23.9	158.3	7,175
1974-----	148.8	6,645	18.9	56.5	25.5	164.8	7,356
1975-----	162.7	7,157	20.2	58.7	23.5	162.7	7,157
1976-----	189.3	8,223	20.1	58.0	23.0	172.8	7,507
1977-----	190.8	8,196	20.8	58.7	24.4	162.8	6,993
1978-----	193.7	8,242	20.7	58.9	26.3	155.4	6,612
1979-----	222.8	9,407	19.7	57.8	28.6	162.1	6,841
Mexico:							
1970-----	33.5	661	7.8	74.2	8.2	60.1	1,185
1971-----	36.2	690	8.1	74.5	8.3	62.1	1,185
1972-----	41.0	755	8.5	72.4	8.8	66.7	1,228
1973-----	49.6	883	9.1	72.0	9.4	71.7	1,277
1974-----	65.1	1,120	9.5	67.0	9.3	76.0	1,307
1975-----	79.1	1,314	11.1	67.6	7.7	79.1	1,314
1976-----	61.6	988	12.2	65.2	8.6	50.6	812
1977-----	73.7	1,140	11.7	65.7	10.5	45.8	710
1978-----	92.6	1,384	11.4	63.9	10.9	49.1	733
1979-----	119.9	1,728	11.5	62.1	11.6	52.7	760

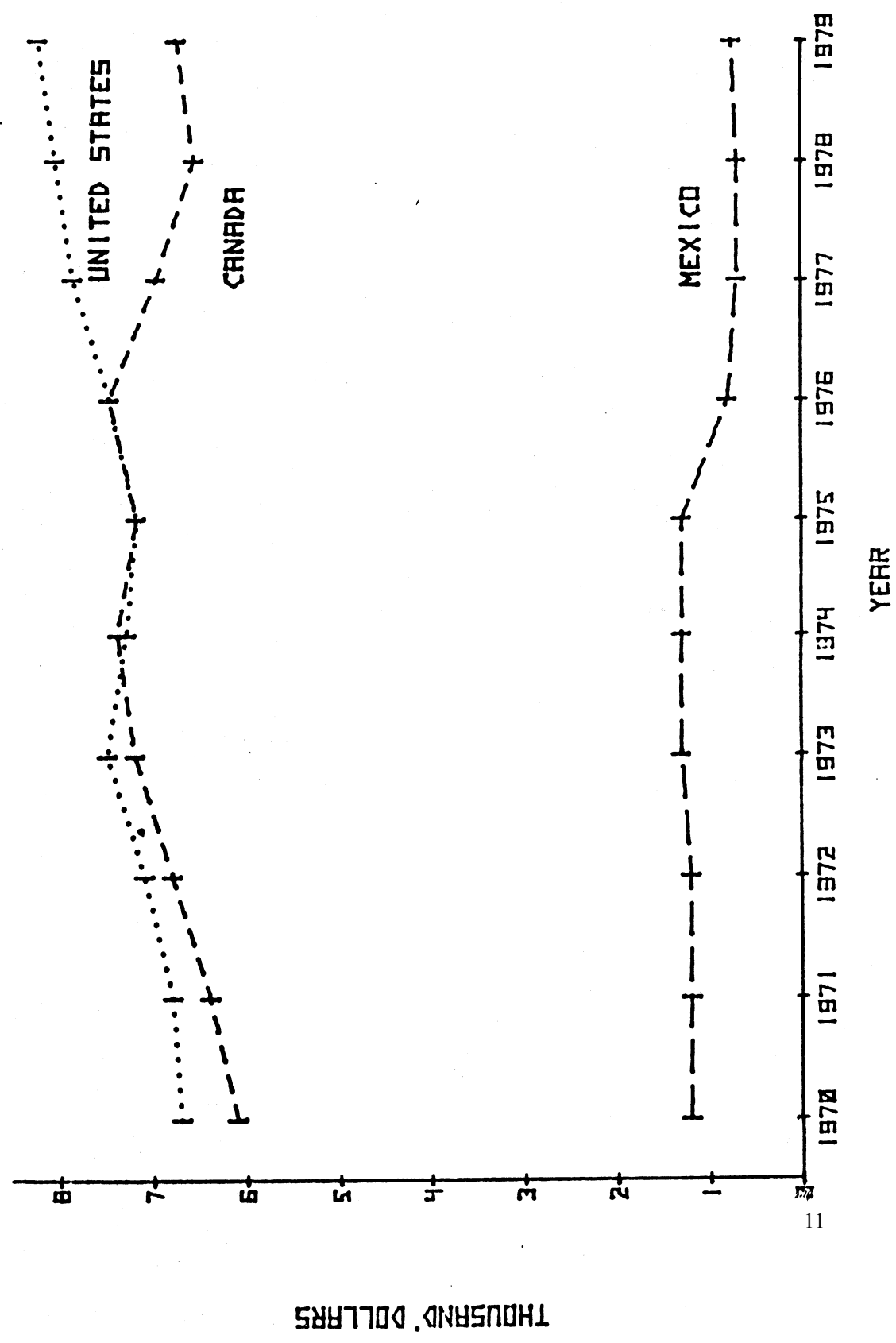
1/ For Mexico, gross domestic product.

2/ Estimated.

Source: International Financial Statistics, International Monetary Fund; Monthly Bulletin of Statistics, February 1980, United Nations.



FIGURE III-2.-- GROSS NATIONAL PRODUCT  $\sqrt{}$  PER CAPITA FOR THE UNITED STATES, CANADA, AND MEXICO, IN 1975 PRICES, 1970-79



$\sqrt{}$  FOR MEXICO, GROSS DOMESTIC PRODUCT PER CAPITA.

## Price Levels and Inflation

### Inflation rates

North American inflation <sup>1/</sup> rates accelerated dramatically in 1970-78, compared with 1960-70, more than doubling in the United States, tripling in Canada, quintupling in Mexico, increasing nine times in Central America, and quadrupling in the Caribbean. As seen in table III-5, Mexico had the highest average annual inflation rates during both periods, averaging 3.5 percent in 1960-70 and 17.5 percent in 1970-78. U.S. inflation averaged 2.8 percent annually in 1960-70 and 6.8 percent annually in 1970-78. Canada's average annual inflation rate rose from 3.1 percent in 1960-70 to 9.4 percent in 1970-78. Average annual inflation rose substantially in Central America and the Caribbean, from rates of 1.2 and 3.2 percent in 1960-70 to 10.5 and 12.3 percent in 1970-78.

### Prices

Figures III-3 and III-4 show trends in consumer and wholesale prices in 1970-79 for the United States, Canada, and Mexico. Mexican consumer prices increased faster than United States and Canadian consumer prices, beginning to increase much faster in 1973 and further accelerating in 1976-79. Canadian consumer prices increased somewhat faster than U. S. consumer prices after 1974, although trends in the United States and Canada were very similar.

Wholesale price trends were similar in all three countries until 1972, when prices in Canada began to increase faster than those in either the United States or Mexico. Canadian wholesale prices maintained a faster rate of increase until 1975, when Mexican prices began to increase faster. After 1975, Mexican wholesale prices accelerated, and Canadian wholesale price increases remained slightly higher than those of the United States.

More detailed listings of consumer and wholesale price indexes for the United States, Canada, Mexico, and selected Central American and Caribbean countries are given in tables III-6 and III-7.

## Resource Endowments

### Climate

The United States has the greatest variety of climates in North America. They are polar, subarctic, humid continental with warm summers, humid continental with cool summers, dry climates in both steppe and desert areas, and humid mesothermal climates (Mediterranean-type and Marine west coast).

In Canada, polar, subarctic, and humid continental (with cool summers) predominate, but the Canadian Pacific has a humid mesothermal climate.

Mexico has dry climates in steppe and desert areas and tropical rainy climates in forest and savannah areas.

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<sup>1/</sup> On the basis of the implicit GDP deflator, inflation is calculated by dividing the value of GDP at current market prices by the value of GDP at constant market prices.

Table III-5.--United States, Canada, Mexico, Central America and the Caribbean: Average annual rates of inflation, 1/ 1960-70 and 1970-78

Country/region	Average annual rate of inflation	
	1960-70	1970-78
	Percent	
United States-----	2.8	6.8
Canada-----	3.1	9.4
Mexico-----	3.5	17.5
Central America <u>2/</u> -----	1.2	10.5
Caribbean <u>3/</u> -----	3.2	12.3

1/ On the basis of the implicit gross domestic product (GDP) deflator, inflation rates are calculated using the value of GDP at current market prices and the value of GDP at constant market prices.

2/ Central America includes Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, and Belize. Totals for Central America were estimated from available data.

3/ The Caribbean includes the Dominican Republic, Haiti, Jamaica, Trinidad and Tobago, Guadeloupe, Martinique, the Netherlands Antilles, Barbados, the Bahamas, and the Turks and Caicos Islands. Totals for the Caribbean were estimated from available data.

Source: Compiled from official statistics of the World Bank, the International Monetary Fund, and the United Nations.

FIGURE III-3.-- CONSUMER PRICE TRENDS FOR THE UNITED STATES,  
CANADA, AND MEXICO, 1970-79

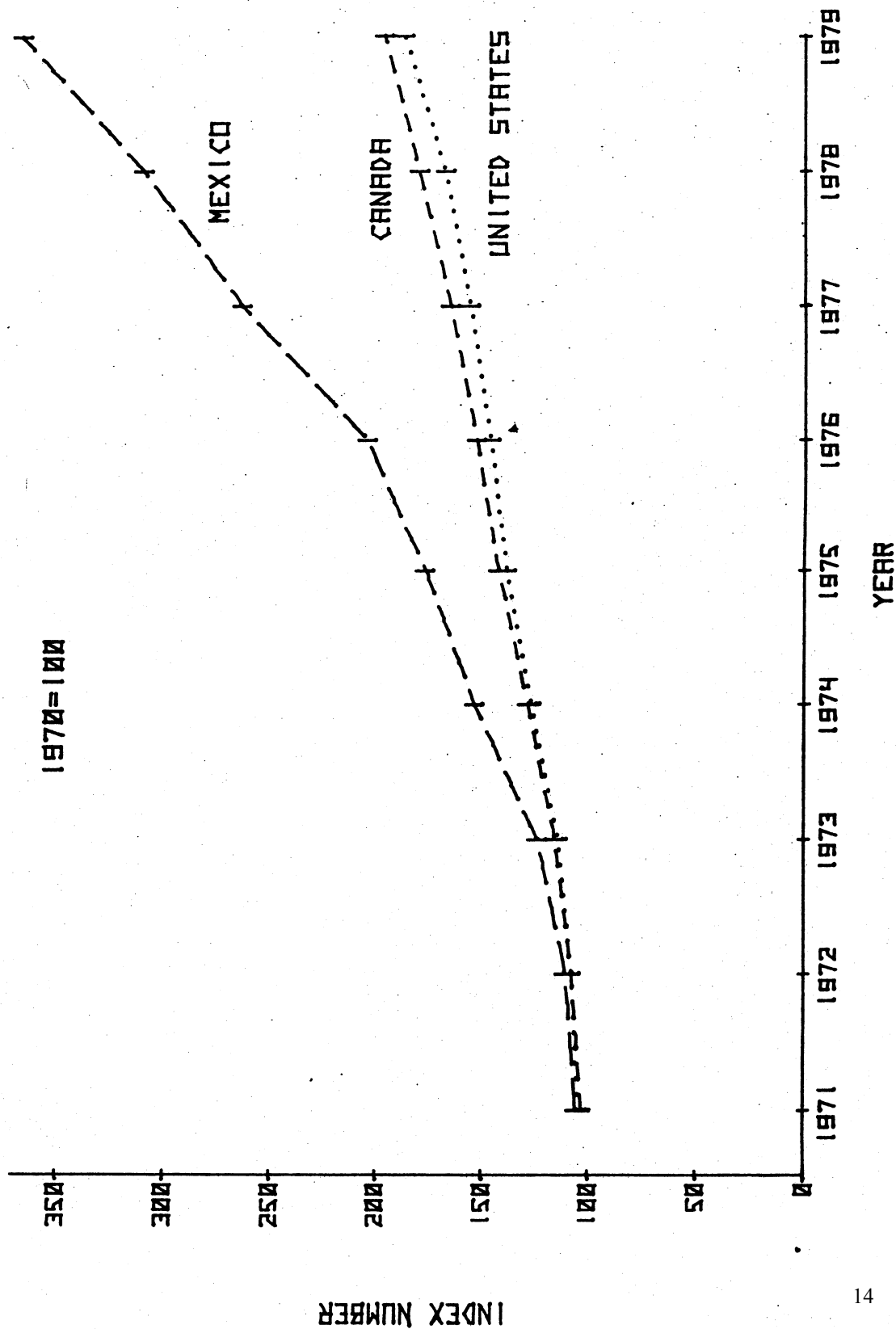


FIGURE III-4.-- WHOLESALE PRICE TRENDS FOR THE UNITED STATES,  
CANADA, AND MEXICO, 1970-79

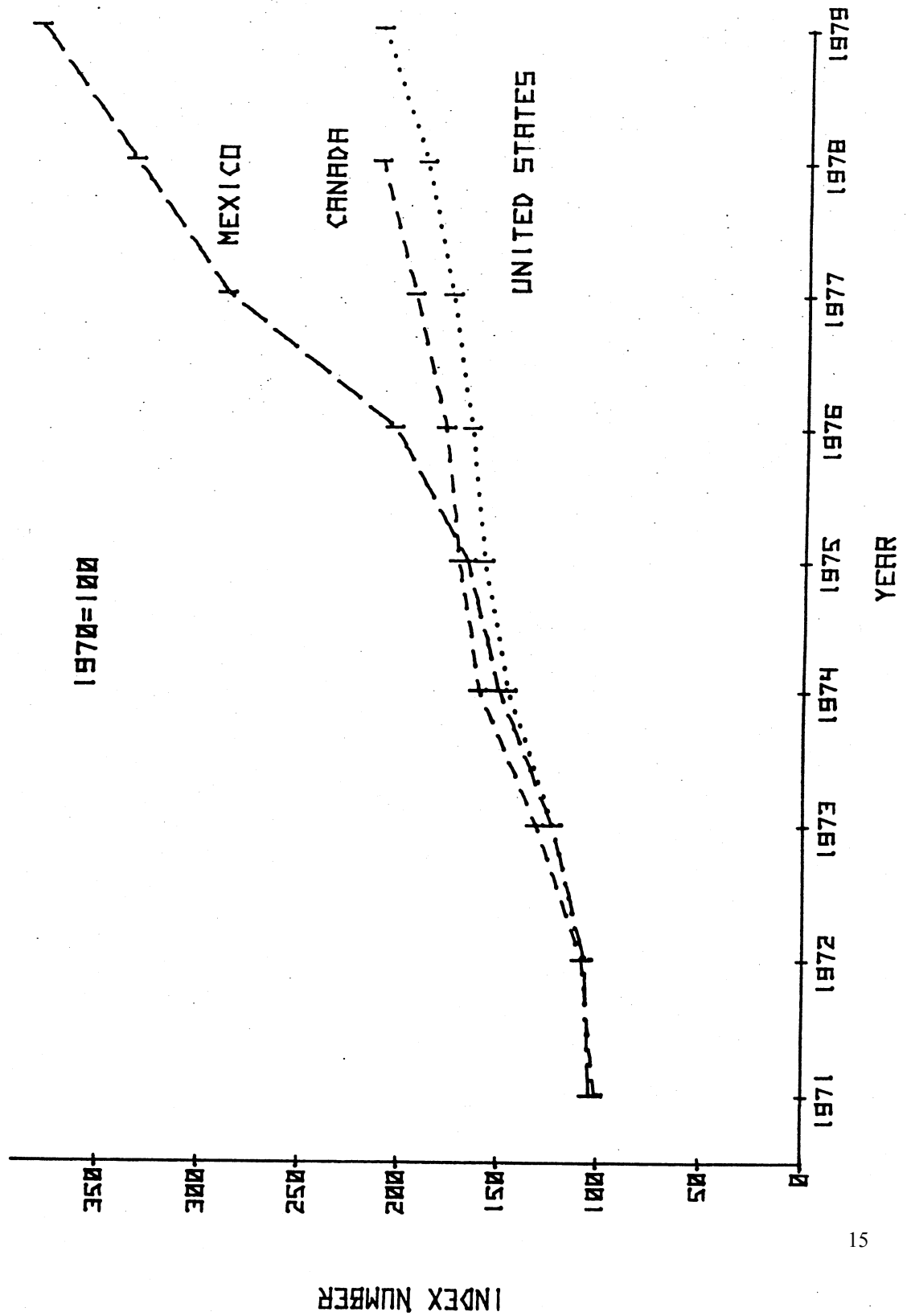


Table III-6.—Consumer price indexes for the United States, Canada, Mexico, and selected Central American and Caribbean countries, 1971-79

1970 = 100										
Country/item	1971	1972	1973	1974	1975	1976	1977	1978	1979	
United States:										
All items-----	104.3	107.7	114.4	127.0	138.6	146.6	156.1	167.9	187.2	
Food-----	103.0	107.5	123.1	140.7	152.7	157.4	167.3	179.5	199.0	
Canada:										
All items-----	102.9	107.8	115.9	128.6	142.5	153.2	165.4	180.2	196.7	
Food-----	101.1	108.8	124.7	145.0	163.7	168.0	182.1	210.3	238.0	
Mexico:										
All items-----	105.4	110.7	124.0	153.6	176.8	204.7	263.9	310.1	366.6	
Food-----	104.7	108.9	126.1	163.8	184.3	207.7	267.5	311.4	368.7	
Honduras:										
All items-----	103.1	108.7	113.2	127.5	135.4	142.3	154.3	163.8	178.3	
Food-----	103.9	112.3	116.6	134.6	145.3	154.0	170.8	182.1	196.2	
El Salvador:										
All items-----	100.3	102.0	108.5	126.8	151.1	161.7	180.8	204.8	1/	
Food-----	100.2	101.3	108.9	127.8	154.1	164.8	179.1	198.3	1/	
Nicaragua: 2/										
All items-----	1/	1/	89.3	100.0	107.5	110.6	123.2	1/	1/	
Food-----	1/	1/	88.4	100.0	107.7	109.0	125.1	1/	1/	
Guatemala: 3/										
All items-----	99.5	100.1	114.4	132.7	100.0	110.6	124.4	134.5	149.9	
Food-----	98.1	98.2	117.1	135.7	100.0	109.5	121.7	127.3	140.3	
Panama: 4/										
All items-----	102.0	107.4	114.8	134.1	141.5	104.2	109.1	113.3	122.3	
Food-----	102.4	107.1	117.7	144.5	154.3	101.8	104.5	110.9	122.1	
Costa Rica: 5/										
All items-----	103.1	107.8	124.2	161.6	189.5	196.2	204.4	216.6	236.6	
Food-----	103.7	104.9	127.6	165.0	191.9	191.6	201.1	221.7	249.7	
Haiti: 6/										
All items-----	110.4	113.9	139.8	161.5	188.3	200.0	213.9	208.3	235.4	
Food-----	107.2	117.9	150.2	169.1	200.5	213.2	229.7	213.7	247.1	
Dominican Republic: 7/										
All items-----	100.0	107.8	124.1	140.4	160.8	173.4	195.6	202.5	1/	
Food-----	100.0	106.0	125.5	147.7	173.9	169.0	184.8	179.2	1/	
Jamaica:										
All items-----	105.3	111.0	130.5	166.0	195.1	214.1	238.0	321.0	1/	
Food-----	106.6	111.7	139.3	179.9	211.7	230.7	252.3	344.9	1/	
Trinidad and Tobago:										
All items-----	103.5	113.1	129.9	158.5	185.5	204.6	228.7	252.0	289.1	
Food-----	104.6	116.6	138.8	180.4	210.6	226.1	241.6	263.6	300.1	
Bahamas: 8/										
All items-----	1/	100.0	105.3	119.1	131.4	137.0	141.3	150.0	163.6	
Food-----	1/	100.0	105.4	125.1	139.7	143.8	146.4	158.4	175.6	
Barbados:										
All items-----	107.5	120.2	140.5	195.1	234.7	246.4	267.0	292.3	330.8	
Food-----	108.2	126.3	148.7	214.6	262.5	273.7	297.0	326.9	363.2	
Martinique: 9/										
All items-----	106.6	112.8	121.5	144.4	165.7	184.3	202.8	224.1	246.7	
Food-----	107.8	112.4	121.3	148.4	165.8	181.4	199.6	215.0	234.4	
Guadeloupe: 10/										
All items-----	106.4	114.9	122.7	142.3	166.4	180.7	197.5	213.1	232.1	
Food-----	107.8	117.0	126.2	149.9	174.3	188.6	206.7	223.3	246.2	
Netherlands Antilles: 11/										
All items-----	100.0	104.0	112.5	134.5	155.3	163.5	172.4	186.4	1/	
Food-----	100.0	106.8	123.2	168.5	207.5	219.4	232.6	275.3	1/	

1/ Not available.

2/ Base: 1974 = 100; prices at Managua.

3/ Prior to 1975, Guatemala City only; beginning in 1975, urban areas. Beginning 1975, base: 1975 = 100.

4/ Prices at Panama City; begin 1976, base: 1975=100.

5/ Prices at San Jose.

6/ Prices at Port-au-Prince.

7/ Base: 1971 = 100; prices at St. Domingo.

8/ Prices at Nassau.

9/ Prices at Fort-de-France.

10/ Prices at Basse-Terre.

11/ Base: 1971 = 100.

Source: Monthly Bulletin of Statistics, February 1980, United Nations; Bulletin of Labor Statistics, 2d quarter 1980, International Labor Office.

Table III-7.—Wholesale price indexes, 1/ general and by categories, for the United States, Canada, Mexico and selected Central American and Caribbean countries, 1971-79

1970 = 100										
Country and item	1971	1972	1973	1974	1975	1976	1977	1978	1979	
United States:										
General-----	103.2	107.9	122.7	145.9	158.4	165.7	175.9	189.7	213.1	
Raw materials-----	102.5	113.7	155.0	174.7	175.5	182.8	191.1	213.8	249.2	
Intermediate products-----	103.8	108.1	120.1	148.8	163.9	172.3	183.7	196.0	220.6	
Finished goods-----	102.8	106.2	117.3	135.5	148.0	154.5	163.6	177.8	195.0	
Farm products-----	101.7	112.6	158.8	169.1	168.2	172.1	173.4	191.6	217.4	
Building materials-----	106.1	112.0	121.4	142.9	154.5	166.7	182.1	201.9	223.3	
Textiles-----	101.4	106.0	115.6	129.8	128.8	138.2	143.2	149.1	157.3	
Canada:										
General-----	101.2	108.3	131.5	160.7	171.5	178.8	195.0	212.7	2/	
Raw materials-----	96.5	102.8	138.6	176.7	177.1	179.5	196.9	211.4	2/	
Finished goods-----	103.6	111.2	128.0	152.8	168.8	178.2	193.7	212.9	2/	
Farm products-----	90.0	112.9	166.1	194.5	190.5	182.2	178.5	198.7	2/	
Building materials <u>3/</u> -----	103.5	108.6	117.1	142.1	152.2	161.8	171.4	186.1	4/ 208.3	
Building materials <u>5/</u> -----	104.9	115.2	130.1	141.9	146.6	161.3	173.3	192.6	4/ 213.4	
Textiles-----	101.9	108.3	131.4	164.6	157.7	172.2	183.6	195.0	2/	
Mexico: <u>6/</u>										
General-----	103.9	106.8	123.6	150.7	167.4	204.6	288.9	334.6	7/ 382.2	
Raw materials-----	101.0	104.6	130.2	157.2	171.3	211.4	283.5	325.1	7/ 371.4	
Producers' goods-----	102.2	104.6	122.7	148.4	162.1	198.2	277.8	308.7	7/ 339.5	
Consumers' goods-----	104.6	107.9	123.9	152.8	170.1	208.0	295.0	346.3	7/ 399.7	
Farm products-----	100.9	104.6	124.9	154.1	173.8	207.5	294.8	354.6	8/ 405.3	
Building materials-----	105.4	106.1	111.0	134.1	165.4	197.9	249.0	314.0	7/ 372.8	
Textiles-----	104.6	108.2	124.2	150.2	154.5	219.9	315.2	337.0	7/ 377.5	
Guatemala: <u>9/</u>										
General-----	101.5	101.4	115.8	142.1	159.7	176.4	198.1	184.7	2/	
Domestic goods-----	100.3	100.1	115.5	140.2	158.4	175.0	199.0	181.3	2/	
Imported goods-----	99.3	99.8	105.9	134.5	153.4	168.4	173.7	177.8	2/	
Building materials-----	100.5	98.4	104.7	134.9	166.2	218.5	257.2	173.4	2/	
Textiles-----	98.5	104.8	120.6	160.3	174.8	176.8	187.4	176.4	2/	
El Salvador: <u>10/</u>										
General-----	94.6	100.0	121.2	151.8	154.6	208.2	306.7	234.6	11/ 251.6	
Producers' goods-----	102.7	109.2	120.7	161.6	173.0	224.6	240.0	239.3	11/ 248.1	
Consumers' goods-----	91.2	97.2	121.5	138.9	138.7	200.3	331.4	244.9	11/ 243.9	
Building materials-----	100.3	99.5	119.5	158.1	167.8	182.2	212.7	226.6	11/ 242.8	
Costa Rica: <u>12/</u>										
General-----	106.4	112.2	130.5	182.4	221.8	242.3	260.6	280.8	13/ 326.8	
Finished goods-----	108.2	117.9	136.9	174.6	210.4	237.9	262.3	280.7	13/ 303.1	
Farm products-----	109.5	117.7	136.1	178.7	234.7	254.8	276.2	315.5	13/ 368.9	
Building materials-----	105.4	107.8	130.9	185.2	209.0	217.3	228.9	248.9	13/ 295.3	
Textiles-----	99.1	106.1	131.7	185.3	215.7	255.6	284.2	297.4	13/ 315.2	
Panama:										
General-----	105.4	114.4	126.4	164.6	187.8	202.4	217.0	228.5	14/ 256.5	
Dominican Republic:										
General-----	100.0	102.7	117.3	141.1	176.0	164.9	187.3	185.2	15/ 199.7	

1/ Prices are based on a representative list of commodities priced at the wholesale stage of distribution.

2/ Not available.

3/ Non-residential building materials.

4/ January-August

5/ Residential building materials.

6/ Prices at Mexico City.

7/ January-July.

8/ January-March.

9/ Prices at Guatemala City.

10/ Prices at San Salvador.

11/ January-June.

12/ Prices at San Jose.

13/ January-November.

14/ January-September.

15/ January-October.

Source: Monthly Bulletin of Statistics, February 1980, United Nations.

The countries of Central America and the Caribbean have tropical rainy climates in forest and/or savannah areas.

### Minerals

Almost without exception, the United States, Canada, and Mexico are the only North American countries that are major producers of metallic and nonmetallic minerals. Each of them has reserves of dozens of mineral commodities. Some examples of these reserves are shown in table III-8.

Examples of minerals for which U.S. reserves are small, insignificant, or nil, but for which another North American country has significant or larger <sup>1/</sup> reserves are as follows: nickel (Canada), natural graphite (Mexico), cesium (Canada), bauxite (Jamaica), yttrium (Canada), tantalum (Canada), fluorspar (Mexico), asbestos (Canada), magnesite (Canada), antimony (Mexico), and strontium (Mexico).

Conversely, for various minerals, the United States is the only North American country whose reserves constitute a substantial share of the world total. Examples are borate materials, feldspar, kyanite and related materials, talc and related materials, and vermiculite.

### Transportation routes

The countries of North America are linked by air, water, railroad, and highway transportation. The air routes are so numerous that they constitute a network. Waterborne transportation routes use Hudson Bay, the St. Lawrence Seaway, the Great Lakes, Chesapeake Bay, intracoastal routes along the Atlantic and Pacific Oceans, the Panama Canal, the Gulf of Mexico and a multiplicity of rivers, such as the Mississippi, Ohio, Missouri, Columbia, and Mackenzie.

Canada, the United States, and Mexico are closely linked by standard gage railroads. Among the border-crossing points between the United States and Canada are Rouses Point, New York; Niagara Falls, New York-Ontario; Detroit, Michigan-Windsor, Ontario; Sault Saint Marie, Michigan-Ontario; Emerson, Manitoba; and Blaine, Washington.

Among the (railroad) border crossing points between the United States and Mexico are Brownsville, Texas-Matamoros, Tamaulipas; Laredo, Texas-Nuevo Laredo, Tamaulipas; Eagle Pass, Texas-Piedras Negras, Coahuila; El Paso, Texas-Ciudad Juarez, Chihuahua; Nogales, Arizona-Nogales, Sonora; and Calexico, California-Mexicali, Baja California.

### Labor Force Comparisons

Table III-9 shows comparative labor statistics for the United States, Canada, Mexico, and selected Central American and Caribbean countries. Sections which follow cover wages, productivity, unemployment, labor migration, education and skill levels, and labor organization.

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<sup>1/</sup> Larger than United States reserves.



Table III-8.—Reserves of certain minerals in the United States, Canada, Mexico, and the world

Commodity	United States	Canada	Mexico	World total
Iron Ore				
(Recoverable iron)				
(million short tons)---	4,000	12,000	<u>1/</u> 189	102,600
Lead metal				
1,000 short tons-----	28,400	12,900	4,500	136,000
Zinc metal				
1,000 short tons-----	30,000	37,000	3,500	175,000
Copper metal				
1,000 short tons-----	93,000	34,000	<u>2/</u> 15,400	503,000
Silver metal <u>3/</u>				
million troy ounces----	1,510	710	850	6,100
Gold metal				
million troy ounces----	110	45	<u>4/</u>	1,215
Mercury metal				
76-pound flask				
equivalent-----	407,000	100,000	250,000	5,207,000
Sulfur				
1,000 long tons-----	205,000	250,000	90,000	1,700,000
Potash---thousand short				
tons K <sub>2</sub> O equivalent----	200,000	10,000,000	<u>4/</u>	13,230,000
Rare-earth metals				
short tons of rare				
earth oxide-----	5,000,000	250,000	<u>4/</u>	7,700,000

1/ Converted from data in metric tons, published in Engineering and Mining Journal, November 1980, p. 65.

2/ Unpublished data from U.S. Bureau of Mines.

3/ Includes a silver recoverable as a byproduct of base metal ores.

4/ Not reported separately. (Search for data is pending).

Source: Compiled from data reported by the U.S. Bureau of Mines in Mineral Commodity Summaries 1978.

Table III-9.--Labor force and working age population statistics for the United States, Canada, Mexico, and selected Central American and Caribbean countries

Country or region	Percentage of labor 1/ in--				Average annual growth of labor						Estimated labor force in 1979
	: of popula- : tion of : working : age (15- : 64 years)		: Agriculture : Industry : Services :		1960-70		1970-80		1980-2000		
	1980	1978	1960	1978	1960	1978	percent	percent	percent	percent	
United States-----	60	65	7	2	36	33	1.7	1.5	0.9	103.7	
Canada-----	59	66	13	6	35	30	2.5	2.0	.9	11.2	
Mexico-----	51	51	55	39	20	26	2.8	3.3	3.5	19.7	
Central America 5/-----	51	52	63	51	15	19	2.7	3.0	3.0	6.5	
Guatemala-----	51	54	67	57	14	20	2.5	3.0	2.8	2.0	
El Salvador-----	52	51	62	52	17	22	2.5	2.8	3.3	1.5	
Honduras-----	52	49	70	64	11	14	2.5	3.0	3.3	1.0	
Nicaragua-----	50	49	62	44	16	15	2.6	3.3	3.6	.8	
Costa Rica-----	50	57	51	29	19	23	3.4	3.6	2.7	.7	
Panama-----	52	55	51	35	14	18	3.3	2.8	2.6	.5	
Caribbean 6/-----	52	53	63	54	14	15	1.4	2.4	2.9	5.2	
Dominican Republic-----	49	51	67	57	12	16	2.3	3.4	3.3	1.6	
Haiti-----	55	53	80	70	6	8	.7	1.4	2.4	7/	
Jamaica-----	54	51	39	28	25	17	.4	2.4	3.3	1.0	
Trinidad and Tobago-----	53	60	22	16	34	36	2.4	2.6	2.2	.4	

<sup>1/</sup> The labor force includes economically active persons, the armed forces, and the unemployed; it excludes housewives, students, and economically inactive groups.

<sup>2/</sup> The agricultural sector includes agriculture, forestry, hunting, and fishing.

<sup>3/</sup> The industrial sector includes mining, manufacturing, and utilities (electricity, water, and gas).

<sup>4/</sup> The service sector includes wholesale and retail trade, restaurants, and hotels; transport, storage, and communication; financing, insurance, real estate, and business services; and community, social, and personal services.

<sup>5/</sup> Central America includes Guatemala, El Salvador, Honduras, Nicaragua, Costa Rica, Panama, and Belize. Totals for Central America were estimated from available data.

<sup>6/</sup> The Caribbean includes the Dominican Republic, Haiti, Jamaica, Trinidad and Tobago, Guadeloupe, Martinique, the Netherlands Antilles, Barbados, the Bahamas, and the Turks and Caicos Islands. Totals for the Caribbean were estimated from available data.

<sup>7/</sup> Not available.

Source: Compiled from official statistics of the United Nations, the International Labor Organization, and the World Bank.

### Wages

Table III-10 compares hourly wage rates in manufacturing in the United States, Canada, Mexico, Guatemala, Nicaragua, Panama, and the Bahamas. The United States and Canada have the highest, and Guatemala and Nicaragua the lowest, manufacturing wage rates of the countries listed. Wage rates in the Bahamas are shown to be higher than those in Mexico. Low wage rates are prevalent in most Central American and Caribbean countries.

As seen in figure III-5, manufacturing wage rates in the United States and Canada, besides being higher, have increased faster during 1969-76 than manufacturing wage rates in Mexico. This is true even though annual value added per worker in manufacturing increased faster in Mexico than in either the United States or Canada during 1965-75 (see the following section on productivity).

Average hourly wages in manufacturing in the United States and Canada are very similar and have followed the same general trend during 1969-79. The U.S. average hourly wages in manufacturing followed a steady, slightly accelerating trend in 1969-79, reaching \$6.69 per hour in 1979. Canadian average hourly wages were about 18 percent lower than U.S. wages in 1969, rose slightly above U.S. wages during 1974-76 and fell below U.S. levels in 1978 and 1979, when the average hourly wage in manufacturing in Canada reached \$6.36, about 5 percent below U.S. levels.

### Productivity

Table III-11 and figure III-6 contrast trends in annual value added per worker in manufacturing in the United States, Canada, and Mexico. Annual value added per worker in manufacturing is higher in the United States and Canada than in Mexico.

During 1965-75 annual value added per worker in manufacturing rose an average of 5.1 percent per year in Mexico, 2.6 percent per year in Canada, and only 1.3 percent per year in the United States. During 1975-76, United States manufacturing value added per worker rose sharply, while in Canada it continued on the gradual rising trend which began in 1965. In 1976-78, U.S. manufacturing value added per worker continued to rise (to \$21.12 thousand in 1978) while Canadian manufacturing value added per worker fell abruptly (to \$15.03 thousand).

### Unemployment

Table III-12 shows rates of unemployment as a percentage of the labor force for the United States, Canada, Mexico, and several Central American and Caribbean countries. Sources warn that unemployment statistics for developing countries must be interpreted with caution, since underemployment, particularly in subsistence agriculture, is a large problem in these areas; for example, there is substantial underemployment in countries such as Mexico, Costa Rica, and Panama.

Since 1976, unemployment rates have been lower in the United States<sup>21</sup> than in Canada. Unemployment in Canada rose to 8.4 percent in 1978. Unemployment rates declined in the United States from 6 percent in 1978 to 5.8 percent in 1979 and in Canada from 8.4 percent in 1978 to 7.5 percent in 1979.

Table III-10.--Average hourly wages in manufacturing for the United States, Canada, Mexico, and selected Central American and Caribbean countries, 1969-79

Year	United States	Canada	Mexico	Guatemala	Nicaragua	Panama	Bahamas
1969	\$3.19	\$2.60	\$0.55	\$0.43	\$0.47	\$0.74	1/
1970	3.35	2.98	.59	.43	.46	.80	1/
1971	3.57	3.27	.64	.44	.47	.81	\$1.80
1972	3.82	3.56	.69	.44	.49	.78	2.25
1973	4.09	3.87	.85	.44	.52	.87	2.85
1974	4.42	4.41	1.10	.44	.60	1.02	2.57
1975	4.83	4.98	1.24	.46	.67	1.14	2.50
1976	5.22	5.71	1.11	.49	.72	1.12	2.49
1977	5.68	5.83	1/	.53	.72	1/	1/
1978	6.17	5.77	1/	1/	1/	1/	1/
1979	6.69	6.36	1/	1/	1/	1/	1/
1/ Not available.							

Source: Bulletin of Labor Statistics, 2d Quarter 1980, International Labor Office (ILO); Year Book of Labor Statistics, 1979, ILO; International Financial Statistics, International Monetary Fund.

FIGURE III-5.-- AVERAGE HOURLY WAGE IN MANUFACTURING FOR THE UNITED STATES, CANADA, AND MEXICO, 1969-79

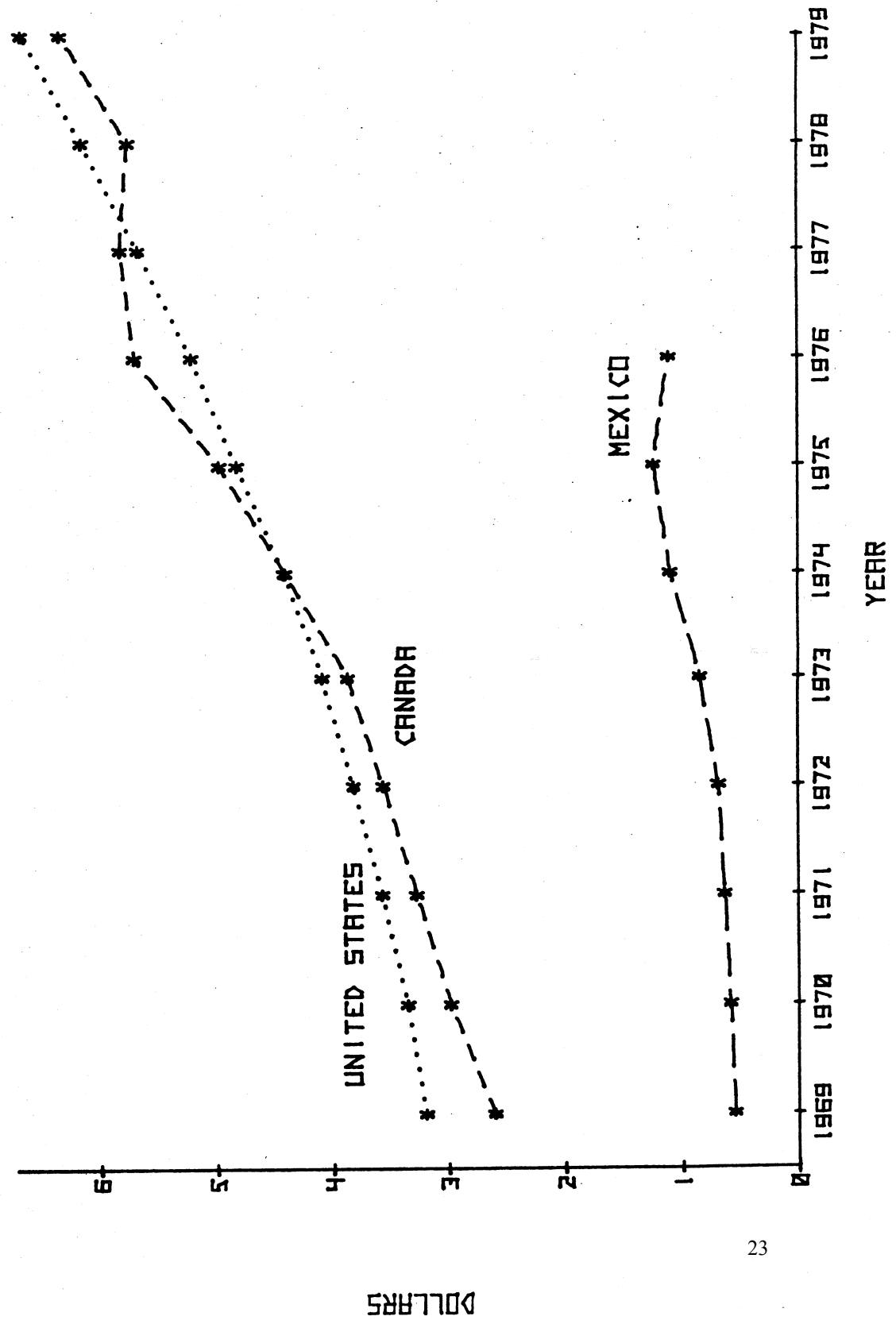


Table III-11.—Annual value added per worker in manufacturing, in 1975 prices

Year	United States	Canada	Mexico
Value added in thousands of 1975 dollars			
1965-----	16.77	12.78	4.56
1970-----	17.36	14.48	4.09
1975-----	19.02	16.46	7.50
1976-----	20.45	16.92	1/
1977-----	20.98	15.94	1/
1978-----	21.12	15.03	1/
Average annual percentage growth rate			
1965-75-----	1.3	2.6	5.1
1975-78-----	3.6	-3.0	1/

1/ Not available.

Source: Monthly Bulletin of Statistics, February 1980, United Nations (UN); Yearbook of National Accounts Statistics, 1976, UN; Yearbook of Labor Statistics, 1973, 1979, International Labor Office; International Financial Statistics, International Monetary Fund; Mexico: Manufacturing Sector: Situation, Prospects and Policies, World Bank.

FIGURE III-6.-- ANNUAL VALUE ADDED PER WORKER IN MANUFACTURING, IN 1975  
DOLLARS, FOR THE UNITED STATES, CANADA, AND MEXICO, 1965-78

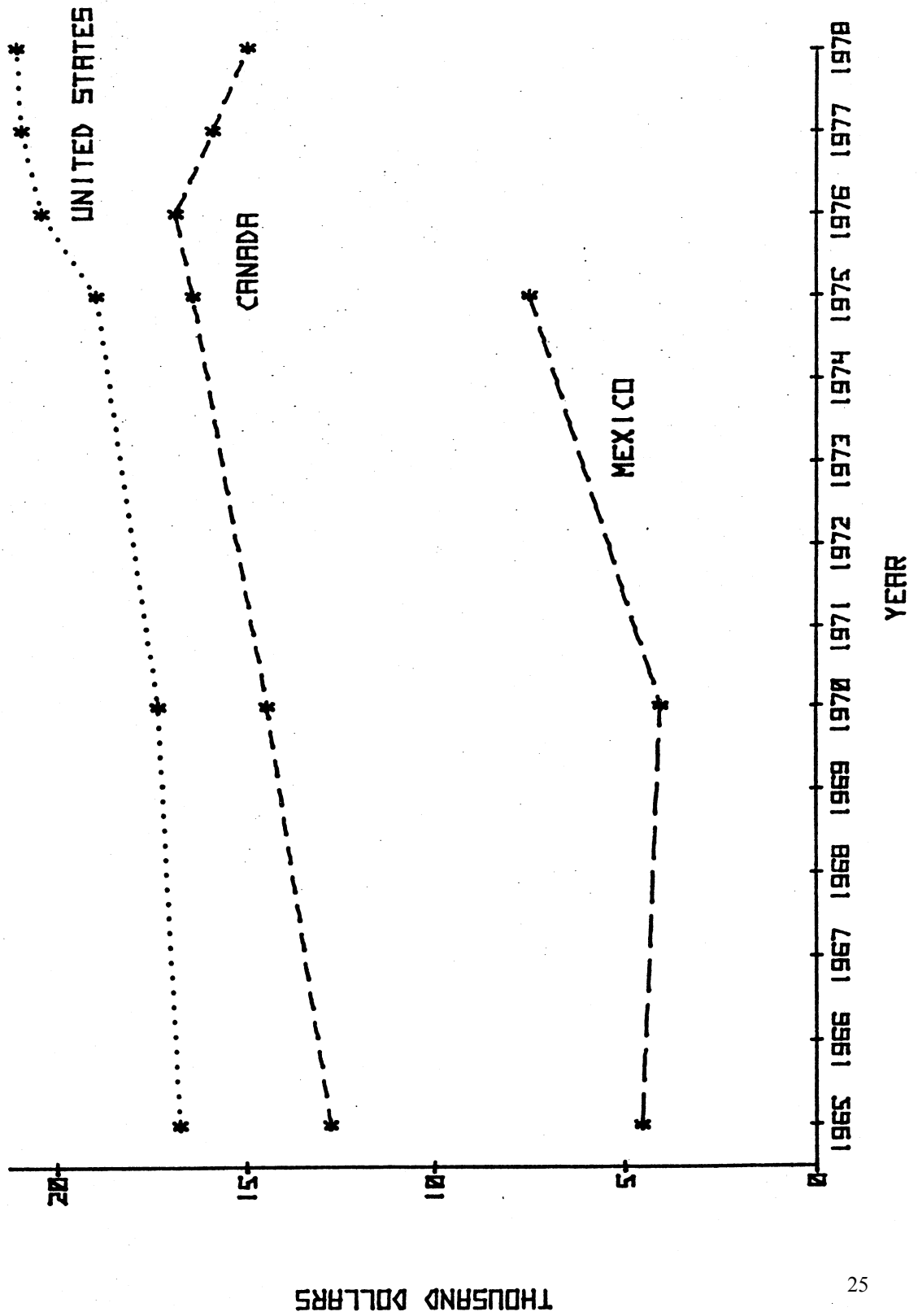


Table III-12.—Rate of unemployment, as a percentage of the labor force, for the United States, Canada, Mexico, and selected Central American and Caribbean countries, 1976-79

(In percent)					
Country	1976	1977	1978	1979	
United States-----	7.7	7.0	6.0	5.8	
Canada-----	7.1	8.1	8.4	7.5	
Mexico <sup>1/</sup> -----	6.7	8.1	7.1	<u>2/</u>	
Costa Rica-----	4.4	4.7	4.6	<u>2/</u>	
Panama-----	6.7	8.7	8.1	<u>2/</u>	
Barbados-----	15.6	15.7	13.8	13.3	
Jamaica-----	22.4	24.2	24.5	<u>2/</u>	
Trinidad and Tobago-----	<u>2/</u>	13.4	12.2	<u>2/</u>	

<sup>1/</sup> The Mexican Government officially places unemployment plus underemployment at about 49 percent of Mexico's labor force.

<sup>2/</sup> Not available.

Source: Bulletin of Labor Statistics, 2d Quarter 1980, International Labor Office (ILO); Year Book of Labor Statistics, 1979, ILO; Statistical Bulletin of the OAS, Organization of American States.



### Labor migration

Complete labor mobility exists between Canada and the United States, but access to U.S. labor markets for Mexican workers is limited. The migration of Mexican workers into the United States is an international political issue.

A congressional report estimated that between 300,000 and 600,000 undocumented Mexican migrants enter the United States annually. Mexican migrants are attracted by higher wages in the United States and pushed by high unemployment in Mexico. Many sources have described the phenomenon of migration from Mexico to the United States as a "safety valve," helping to close the gap between the annual increase in people looking for work in Mexico and the number of new jobs the Mexican economy is able to create. The report also listed the following countries as sources of undocumented migrants: El Salvador, Dominican Republic, Haiti, Jamaica, Guatemala, and Belize. Migrant labor from the Caribbean also enters Canada, but is subject to quota.

As seen in table III-9, the growth of the Mexican labor force has been accelerating, growing 2.8 percent annually in 1960-70, 3.3 percent in 1970-80, and is projected to grow 3.5 percent in 1980-2000. According to a report issued by the U.S. Department of Labor, "at least 700,000 new jobs are needed each year to absorb additions to the work force, if no emigration takes place." <sup>1/</sup> Employment in Mexico is estimated to be increasing at about 3 percent a year.

Poverty, rapid population growth, and lack of adequate employment opportunities have also caused significant legal labor migration. During 1970-76, immigrant labor exported legally by Mexico and selected Central American and Caribbean countries to the United States was distributed as follows: Mexico, 419,407; Dominican Republic, 99,669; Jamaica, 85,504; Trinidad and Tobago, 45,467; Haiti, 44,423; Barbados, 11,395; and Panama, 11,263.

### Training and skill levels

Skill levels of Canadian workers are comparable to those of U.S. workers and literacy rates in both countries are about 99 percent. In Mexico, unskilled labor is plentiful but skilled labor is relatively scarce. Census figures revealed that in 1970 Mexican labor force workers averaged 3.6 years of education and that only 13 percent had studied more than 6 years. However, the Mexican Government has attempted to improve the education level of its labor force by enlarging its education budget and, in 1975, by launching an education program for adults. Reflecting past attempts to improve education levels, the adult literacy rate in Mexico rose from 65 percent in 1960 to 76 percent in 1975, and it has been estimated that Mexican labor productivity rates in border companies now exceed U.S. rates. Skilled labor is scarce, and adult illiteracy a major problem, in most Central American and Caribbean countries.

### Labor organization

Fourteen percent of the Canadian labor force, 22 percent of the U.S.<sup>27</sup> labor force, and 24 percent of the Mexican labor force are members of trade unions. Many Canadian unions are affiliated with U.S. unions (47.7 percent of

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<sup>1/</sup> Profile of Labor Conditions: Mexico, U.S. Department of Labor, 1979.

Canadian union members belong to international unions headquartered in the United States), and the "trade union climate" is similar in Canada and the United States. According to a publication of the U.S. Department of Labor: 1/

"Beginning about 1860, Canadian workers looked to United States unions for support, and many unions with members in both countries became "international unions." The influx into Canada of skilled U.S. workers with trade union backgrounds, as well as seasonal employment of Canadian building trades workers in the United States contributed to the growth of U.S.-based unions in Canada."

The organized labor movement in Mexico is closely involved with, and controlled by, the Mexican Government. Government approval is required for strikes to be "legal" and in the event of an "illegal" strike, "the employer may use strike breakers, or dismiss striking workers, after proper notice. There are relatively few strikes in Mexico." 2/

### Integration of North American Capital Markets

This section discusses various aspects of capital markets in the countries of North America, with principal emphasis on the United States, Canada, and Mexico. First, detailed summaries are presented of U.S. and Canadian financial integration and U.S. and Mexican financial integration. Next is a section on the rate of return of U.S. investment in North America, followed by a discussion of investment trends by sector. Finally, there are brief discussions of savings and investment rates and capital/labor ratios.

### Integration of U.S. and Canadian Capital Markets

U.S. investment in Canada.--Throughout Canada's history, external capital and external markets have contributed heavily to its economic development. Prior to World War I, the proportion of external capital (at that time largely in the form of British investments) in the Canadian economy was greater than it was in the 1970's. After World War I the United States became the principal supplier of Canadian capital. Between 1914 and 1930, U.S. direct investment in Canada expanded rapidly, concentrated in such sectors as the extractive and processing industries, automobile manufacturing, pulped paper production, electrical manufacturing, and nonferrous mining and refining. After a lull in the 1930's, another great expansion in U.S. investments in Canada occurred beginning with war-related investments during World War II, but the most noticeable increase began at the end of the war. Between 1945 and 1975, total U.S. investment in Canada increased from \$5 billion to \$52 billion; direct investment increased from \$2 billion to \$31 billion. By 1979, U.S. direct investment in Canada had increased to \$41 billion (see table III-13). Nearly one-half of this direct investment was in manufacturing, a percentage which has remained relatively constant at least since 1966. Within the manufacturing sector, the most significant areas of U.S. direct investment were iron and iron products, wood and paper products, and chemicals and allied products. By the 1970's, U.S. corporations controlled approximately 50 percent of Canadian manufacturing industry, but the percentage of U.S. ownership in sectors such as petroleum, transport, and chemicals, was much higher.

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1/ Profile of Labor Conditions: Canada, U.S. Department of Labor, 1980.

2/ Profile of Labor Conditions: Mexico, U.S. Department of Labor, 1979.

Table III-13.--U.S. direct investment position in North America, by industries, by countries or areas, 1970, 1975-79

Country or area	All industries	Mining and smelting	Petro-leum	Total products	Food products	Chemical products	Manufacturing			Transportation, communication, public utilities	Trade	Finance and insurance	Other industries
							Primary and fabricated metals	Machinery	Transportation equipment				
1970-----													
Canada-----	21,015	2,574	4,337	8,971	834	1,320	675	1,773	1,648	2,722	598	2,728	645
Mexico-----	1,912	127	10	1,380	132	375	129	264	151	330	23	42	122
Panama-----	1,190	1/	39	64	3	2/	1/	1/	2/	4	60	541	211
Other Central America-----	542	2/	2/	79	44	-9	9	6	1	29	2/	27	180
Bahamas-----	408	0	2/	76	1	2/	0	-2	0	2/	12	179	2/
Bermuda-----	242	0	2/	2	3	1/	0	-4	1/	3	2/	2/	8
Jamaica-----	507	2/	2/	165	7	2/	2/	1	0	13	2/	1	2/
Other Caribbean-----	701	2/	329	72	2	68	1/	1/	0	2	18	2/	39
1975-----													
Canada-----	31,038	3,053	6,220	14,691	1,369	2,268	1,014	3,042	2,694	4,304	761	2,009	814
Mexico-----	3,200	80	22	2,442	223	720	224	480	267	528	35	476	87
Panama-----	1,907	1	125	122	7	99	1/	2/	1/	2/	39	542	359
Other Central America-----	704	27	122	199	70	60	2/	2/	2	39	66	50	191
Bahamas-----	763	2/	2/	97	5	56	0	-2	0	38	11	87	148
Bermuda-----	2,999	0	116	2/	6	2/	0	2/	1/	7	20	152	2/
Jamaica-----	654	2/	2/	219	13	14	2/	1	0	2/	2/	8	28
Other Caribbean-----	1,357	2/	998	2/	8	2/	1	2/	0	-4	45	93	2/
1976-----													
Canada-----	33,838	3,200	7,119	15,965	1,433	2,462	1,052	3,246	2,965	4,807	771	2,112	885
Mexico-----	2,976	89	17	2,218	224	654	213	451	221	455	49	448	102
Panama-----	1,961	1	97	139	11	107	1	9	1	10	45	517	381
Other Central America-----	680	23	65	229	74	73	2/	21	3	2/	65	58	184
Bahamas-----	1,049	2/	103	93	2/	54	0	-2	0	2/	12	89	2/
Bermuda-----	3,869	0	219	256	2/	136	0	102	1/	2/	29	151	51
Jamaica-----	578	302	38	226	2/	17	2/	2	0	11	-26	8	26
Other Caribbean-----	1,313	2/	918	60	5	42	1	4	0	7	2/	50	30

Footnotes at end of table.

Table III-13.—U.S. direct investment position in North America, by industries, by countries, or areas, 1970, 1975-79--Continued  
(In millions of dollars)

Country or area	All industries	Mining and smelting	Petro-leum	Total	Manufacturing							Transportation, communication, public utilities	Trade and insurance	Other industries
					Food products	Chemical products	Primary and fabricated metals	Machinery	Trans- portation equip.	Other manufac- turing				
1977-----														
Canada-----	35,200	3,203	7,660	16,696	1,502	2,373	1,099	3,470	3,153	5,099	919	2,125	3,683	915
Mexico-----	3,230	98	26	2,391	207	699	219	451	298	517	2/	502	92	2/
Panama-----	2,249	1	106	158	11	115	1	13	2/	2/	24	654	920	386
Other Central America-----	740	28	71	253	87	80	2/	2/	2	2/	64	72	56	196
Bahamas-----	1,229	2/	73	65	2/	2/	0	-2	0	-3	12	117	811	2/
Bermuda-----	2/	0	391	299	5	2/	0	2/	1/	2/	38	145	2/	54
Jamaica-----	556	2/	2/	221	2/	15	2/	1	0	12	-26	8	1	23
Other Caribbean-----	2/	120	2/	69	10	45	1	5	0	8	2/	62	2/	49
1978-----														
Canada-----	37,071	3,006	8,246	17,477	1,593	2,875	1,142	3,584	3,026	5,258	1,031	2,465	3,886	959
Mexico-----	3,690	94	41	2,760	233	787	246	514	370	610	2/	559	114	2/
Panama-----	2,394	1/	99	184	16	128	1	9	4	27	25	717	974	393
Other Central America-----	793	26	48	285	90	92	17	2/	-1	2/	73	95	66	201
Bahamas-----	1,790	2/	2/	69	2/	59	0	-2	0	2/	12	2/	1,251	2/
Bermuda-----	7,204	0	2/	2/	3	191	0	2/	1/	2/	63	153	6,087	2/
Jamaica-----	2/	267	2/	208	2/	14	2/	2	0	2/	-25	2/	2/	25
Other Caribbean-----	2/	2/	2/	2/	11	71	1	7	0	2/	2/	46	2/	2/
1979-----														
Canada-----	41,033	3,151	9,168	19,237	1,733	3,248	1,266	3,895	3,644	5,451	1,085	2,744	4,601	1,047
Mexico-----	4,575	113	81	3,419	281	915	288	649	510	775	2/	696	136	2/
Panama-----	2,756	1/	171	198	24	141	2/	8	2/	30	30	759	1,171	427
Other Central America-----	895	24	72	304	99	2/	19	2/	-1	2/	75	102	56	262
Bahamas-----	2,081	1	132	76	2/	2/	0	-2	0	2/	2/	2/	1,525	2/
Bermuda-----	8,053	0	2/	559	2	2/	0	2/	1/	2/	102	2/	6,363	61
Jamaica-----	2/	229	36	2/	2/	17	2/	1	0	2/	-26	10	4	27
Other Caribbean-----	2/	130	2/	2/	12	78	2	6	0	2/	2/	57	293	101

1/ Less than \$500,000.

2/ Suppressed by U.S. Department of Commerce to avoid disclosure of individual companies.

Source: Bureau of Economic Analysis, U.S. Dept. of Commerce.

U.S. direct investment in Canada grew at an average rate of 7.7 percent annually between 1966 and 1979. During the 1970's, U.S. direct investment in Canada accounted for approximately 80 percent of total direct investment in that country. Except for a slight increase in 1973, however, the Canadian share of total U.S. direct investment abroad has decreased in every year since 1966. U.S. direct investment in Canada in 1966 represented 30.3 percent of total U.S. direct investment abroad; by 1979, the Canadian share had decreased to 21.3 percent.

This U.S. expansion into the Canadian economy has taken place through the takeover of Canadian firms and the establishment of new subsidiaries and branch plants. U.S. investors have been attracted in recent years by the cheaper Canadian dollar and lower energy prices.

Canadian investment in the United States.--Canadian direct investment in the United States has been mainly in primary resource industries and resource-oriented manufacturing such as lumber and paper, mining, primary and fabricated metals, food and alcoholic beverages, and agricultural machinery. Real estate has been another popular sector for Canadian investment. In many cases, the Canadian firms investing in the United States had outgrown the Canadian market, and were attracted to the large, close, familiar, and open U.S. market with a stable economic and political environment, lower production costs, and a large easily-trainable labor force.

During 1974-78, Canadian investments were placed in 35 States, the District of Columbia, and Puerto Rico. New York recorded the highest number of Canadian transaction, followed by Florida, California, and Texas. Overall, about 34 percent of Canadian investments were in the Sunbelt States, compared with 26 percent in the Northern industrial States and 20 percent in the West/Northwest States. Canadian investors have indicated that abundant reserves of comparatively inexpensive skilled labor, low corporate taxes, tax holidays, good transportation, and industrial revenue bond financing with low interest rates are key factors which have attracted them to Southern States.

Canadian manufacturers have cited additional reasons for their increasing acquisitions of U.S. companies, construction of new plants, or relocation across the border. Some Canadian firms relocate in the United States to be closer to their customers. Others have relocated in the United States because of concern over the movement for independence in Quebec. In addition, some Canadian business people are concerned about the stated aims of some of the more nationalistic members of the Quebec Government on the issue of nationalizing industry, particularly natural resource industries. Finally, because under Canadian law provinces lose control over resources once they leave the provincial border, some natural resource companies based in western provinces have relocated in the United States to gain greater control over the shipment of resources to the industrial eastern provinces.

Between 1951 and 1974, the share of total Canadian investment abroad going to the United States (direct investment plus portfolio investment) increased from 35.0 percent to 44.5 percent. However, the share of Canadian direct investment abroad going to the United States declined from 78.2 percent in 1951 to 52.7 percent in 1974. This decline is partly attributable to increased Canadian interest in investment opportunities in Europe, the Far East, and Latin America. However, more importantly, an increasing number<sup>31</sup> of

Canadian corporate investors have transferred ownership of American assets to wholly owned subsidiaries in the Netherlands. Usually, these companies are active holding companies carrying on international transactions, and as such they are able to avail the Canadian parent company of such benefits as lower taxes and access to the European money market. Since the investor is defined as the country of the first foreign parent rather than that of the beneficial owner, the transfer of direct ownership appears as a decline in Canadian direct investment in the United States and an increase in direct investment from the Netherlands, as shown in table III-14.

In 1973, Canada was the second largest investor in the United States, with \$4.2 billion, which represented about 20 percent of the total \$20.6 billion foreign direct investment in the United States for that year. More than one-half of the Canadian direct investment was in the manufacturing sector with food products, machinery, and fabricated metals the major subsectors.

During 1973-79, Canadian direct investment in the United States grew at an average annual rate of 9.1 percent. In spite of this growth, the Canadian share of direct investment in the United States declined to 13.3 percent of the total \$52.3 billion in 1979, ranking it as the third largest investor behind the Netherlands and the United Kingdom. As in other years of the period, the most popular subsectors for Canadian investors were communications equipment, electric and electronics equipment, fabricated metal products, food and beverages, nonelectrical machinery, office equipment and supplies, and publishing and printing. The petroleum and trade (wholesale and retail stores) industries also attracted Canadian investment during the period.

Between 1973 and 1979, the majority of Canadian investments took the form of real estate activity, acquisitions including mergers, and new plants. There were also some investments in the following categories: equity increase; joint venture; new branch, agency, office, outlet or subsidiary; and plant expansion.

#### Other United States-Canadian capital flows

The determinants of international capital flows and of the pattern of international financial integration are complex. Some of the more important in the Canadian-United States context are simple interest rate differentials, the structure of yields in the two economies, regulatory policies, the role of the U.S. dollar as an official reserve asset, and the desire of investors to reduce portfolio risks by spreading assets among a number of countries.

During the past three decades, there has been a large and growing volume of two-directional capital flows between the United States and Canada in the form of purchases and sales of outstanding securities. In general, these capital flows have followed a fairly consistent pattern in which long-term capital moves predominantly from the United States to Canada, while short-term capital moves from Canada to the United States. The explanation for this pattern is that, historically, the yield on long-term bonds has been greater in Canada than in the United States, while the short-term rate has been higher in the United States. Table III-15 shows that through 1975, the yield on 6-month U.S. Treasury bills was greater than on Canadian Treasury bills. The pattern was reversed in 1975 and 1976, but since 1977 the short-term yield relationship between the two countries has moved toward its normal pattern.

Table III-14.—Foreign direct investment position in the United States, by industries, by countries or areas, 1973-79  
(In millions of dollars)

Country or area	All industries	Petro- leum	Total	Manufacturing				Trade	Finance	Insurance	Real estate	Other
				Chemicals: products	Food products	Primary and allied products	Machin- ery fabri- cated metals					
1973-----												
Canada-----	4,203	426	2,319	1/	1/	1/	477	674	117	176	82	464
United Kingdom-----	5,403	1,212	1,551	578	117	235	194	426	-27	1,225	37	146
Netherlands-----	4,017	1/	997	421	1/	1/	1/	112	1/	22	1/	1/
Latin American-----												
Republics-----	424	17	136	51	1/	6	9	1/	59	1/	90	1/
Panama-----	328	2/	137	1/	1/	0	1/	1/	1/	1/	56	6
Other 3/-----	96	16	-1	1/	1/	6	1/	0	1/	3	34	1/
Caribbean-----	1,637	214	829	1/	2/	1/	14	1/	1/	1/	244	57
1974-----												
Canada-----	5,136	547	2,905	97	1/	501	1/	813	132	180	113	535
United Kingdom-----	5,744	1,502	1,792	601	196	256	253	485	152	702	45	152
Netherlands-----	4,698	1/	1,213	474	1/	1/	1/	112	1/	39	9	1/
Latin American-----												
Republics-----	501	25	159	1/	1/	6	1/	54	1/	1/	99	1/
Panama-----	348	-9	141	1/	1/	2/	1/	1/	1/	1/	67	1/
Other 3/-----	152	33	18	1/	2	6	1/	1/	1/	5	32	1/
Caribbean-----	2,097	267	878	1/	1	1/	17	1/	1/	1/	279	1/
1975-----												
Canada-----	5,352	596	3,061	1/	1/	504	1/	822	150	191	109	548
United Kingdom-----	6,331	1/	1,833	603	213	179	296	542	70	862	1/	1/
Netherlands-----	5,347	1/	1,345	1/	1/	1/	1/	133	296	1/	1/	1/
Latin American-----												
Republics-----	551	-11	1/	1/	1/	6	1/	53	1/	1/	1/	1/
Panama-----	378	1/	1/	1/	1/	2/	1/	1/	1/	1/	1/	1/
Other 3/-----	172	1/	1/	1/	4	6	-1	1/	1/	5	31	11
Caribbean-----	2,223	112	1/	1/	1	1/	1/	1/	1/	1/	1/	1/
1976-----												
Canada-----	5,907	676	3,386	1/	1/	532	994	910	176	246	119	594
United Kingdom-----	5,802	602	1,963	683	270	177	264	570	117	1,094	1/	1/
Netherlands-----	6,255	1/	1,501	635	1/	1/	1/	133	1/	82	1/	1/
Latin American-----												
Republics-----	592	-3	1/	75	1/	6	1/	1/	1/	1/	92	1/
Panama-----	451	-3	1/	1/	1/	2/	1/	1/	1/	1/	61	1/
Other 3/-----	141	2/	1/	1/	4	6	1/	1/	1/	5	31	10
Caribbean-----	2,510	179	1/	1/	1	1/	1/	58	1/	83	272	1/

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Footnotes at end of table.

Table III-14.--Foreign direct investment position in the United States, by industries, by countries or areas, 1973-79--Cont.

(In millions of dollars)													
Country or area	All industries	Petro- leum	Manufacturing					Trade	Finance	Insurance	Real estate	Other	
			Total	Food products	Chemicals and allied products		Machinery and fabricated metals						Other manufacturing
					Primary and allied products	Secondary products							
1977													
Canada	5,650	710	3,077	1/	1/	599	976	672	758	160	207	98	
United Kingdom	6,397	486	2,305	289	851	211	290	664	1,979	253	1,172	81	
Netherlands	7,830	1/	2,237	1/	1/	1/	687	543	457	430	1/	38	
Latin American Republics	569	4	177	1/	1/	6	1/	1/	6	1/	1/	91	
Panama	439	2/	161	1/	68	2/	1/	1/	6	1/	1/	60	
Other 3/	130	4	17	4	1/	6	1/	1/	2/	65	5	31	
Caribbean	2,417	273	1,087	2	1/	119	1/	1/	472	114	88	250	
1978													
Canada	6,180	734	3,213	786	92	706	1,041	588	907	188	209	143	
United Kingdom	7,638	492	3,014	1/	1,032	1/	320	703	2,217	104	1,492	96	
Netherlands	10,078	5,041	3,058	718	815	53	669	803	723	520	216	113	
Latin American Republics	559	3	177	1/	1/	5	7	57	-46	113	1/	1/	
Panama	495	2	161	1/	65	2	1/	1/	27	29	1/	62	
Other 3/	65	1	17	5	1/	2	1/	1/	-73	84	2	1/	
Caribbean	3,043	354	1,511	1/	1/	1/	26	83	566	155	23	299	
1979													
Canada	6,974	937	3,617	838	101	821	1,173	684	937	227	140	272	
United Kingdom	9,391	228	3,466	398	1,233	628	374	832	2,933	626	1,783	80	
Netherlands	12,462	6,400	3,503	809	882	52	774	985	808	567	467	194	
Latin American Republics	759	23	177	46	72	4	4	51	57	156	254	96	
Panama	573	20	168	42	78	2/	15	33	46	33	252	66	
Other 3/	185	2	9	5	-6	4	-11	18	11	123	2	30	
Caribbean	4,119	724	1,911	33	1,468	313	-1	98	635	189	72	414	

1/ Suppressed by U.S. Department of Commerce to avoid disclosure of individual companies.

2/ Less than \$500,000.

3/ Argentina, Brazil, Chile, Colombia, Mexico, Peru, Venezuela, and other Central America except Panama, and other South American countries.



Table III-15.—Comparison of interest rates, by countries, 1970-79, January-September 1979, January-September 1980

Item	(In percent)											
	1970	1971	1972	1973	1974	1975	1976	1977	1978	1979	Jan. 1979	Sept. 1980
Central Bank discount rate (end of period):												
United States-----	5.50	4.50	4.50	7.50	7.75	6.00	5.25	6.00	9.50	12.00	11.00	11.00
Canada-----	6.00	4.57	4.75	7.25	8.75	9.00	8.50	7.50	10.75	14.00	12.25	11.02
Mexico-----	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	1/	1/	1/
6-month Treasury bill rate (period average)												
United States-----	6.44	4.34	4.07	7.03	7.87	5.82	4.99	5.27	7.22	10.04	9.46	10.92
Canada-----	5.99	3.56	3.56	5.47	7.83	7.40	8.87	7.33	8.67	11.68	11.05	12.32
Mexico 2/-----									10.53	14.37	13.76	
Government long-term bond yield (period average):												
United States-----	6.86	6.12	6.01	7.12	8.06	8.19	7.87	7.67	8.49	9.33	9.05	11.10
Canada-----	7.91	6.95	7.23	7.56	8.90	9.04	9.18	8.70	9.30	10.26	9.97	12.32

1/ Not available.

2/ 3-month.

Source: International Monetary Fund International Financial Statistics Yearbook and the Bank of Mexico.

Regulatory policies may encourage capital flows that are not based on differentials in market-determined yields. For example, insurance companies usually are required to maintain assets in each country in which they do business that are proportional to their policy liabilities in that country. <sup>1/</sup> Thus, since Canadian and United States insurance companies do business in both countries, they must each make sizable investments of the other country's securities, based not on relative yields but on regulatory policies and the companies' policy liabilities in the other country.

Regulation Q in the United States also induces a flow of capital from the United States to other countries, including Canada. Under Regulation Q the interest rates that U.S. banks can pay on domestic short-term deposits have been strictly limited. When U.S. short-term interest rates become uncompetitive, foreign banks, including those from Canada, are able to attract deposits from the United States and place them on deposit in Toronto or Montreal, thus allowing the foreign banks to escape the U.S. regulations. Subsequently, the funds are relent in the New York market at a profit for Canadian banks.

Under similar Canadian banking regulations, U.S.-dollar deposits in Canadian banks have not been subject to Bank of Canada reserve requirements. This has created a significant incentive for Canadian banks to solicit deposits and to make loans in U.S. funds. In addition, U.S.-dollar banking in Canada has been unaffected by various formal and informal limits on interest rates paid on deposits or charged on loans, creating an additional incentive for the growth of such operations.

The U.S. dollar has been a major reserve asset since World War II. For countries with a managed floating exchange rate like Canada, the government or central bank may purchase or sell U.S. dollars in order to influence the exchange rate. This causes a flow of capital between the two countries for reasons other than interest differentials.

Finally, investors will distribute their portfolio among assets in various countries typically having at least somewhat different business and monetary-policy cycles in order to reduce the risk of capital loss. Thus, some money usually is flowing against modest interest-rate differentials.

#### U.S. investment in Mexico

The United States has been investing in Mexico since the 1800's. By 1914, Mexico accounted for between 35 and 40 percent of total U.S. investment in Latin America. These investments were in the forms of government bonds and portfolio investments; investments in the gold, silver, and copper mining industries; investments in Mexican railways; and investments in public utilities. In 1950, U.S. direct investment in Mexico amounted to \$415 million, increasing to \$795 million in 1960. Of this latter amount, \$391 million was in manufacturing, \$130 million in mining and smelting, \$119 million in public utilities, \$85 million in trade, and \$32 million in petroleum. Between 1970 and 1979, U.S. direct investment grew from \$1.9

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<sup>1/</sup> Canadian companies are the only foreign life insurers operating in the United States and accounted for about 6 percent of the life insurance industry's 1974 premium volume. U.S. insurance companies also operate in Canada.

billion to \$4.6 billion, or by an average of 10.5 percent annually (table III-13). By 1979, U.S. direct investment was concentrated in the manufacturing sector, with chemicals, machinery, and transportation equipment the principal subsectors.

Despite the increase in U.S. investment in Mexico, the Mexican share of total U.S. direct investment declined from 2.5 percent in 1970 to 2.4 percent in 1979, owing to an annual increase of 11.0 percent in total U.S. direct investment abroad. Mexico's share of U.S. direct investment in the Caribbean/Central American region also declined during 1970-79, largely because of increased U.S. investment in the Caribbean nations. In 1970, Mexico accounted for 34.8 percent of U.S. direct investment in the Caribbean/Central American region; by 1979, this share had decreased to 22.1 percent. In contrast, U.S. direct investment in the Caribbean nations as a share of the Caribbean/Central American region increased from 33.8 percent in 1970 to 60.2 percent in 1979. The Bahamas and Bermuda accounted for more than 80 percent of U.S. direct investment in the Caribbean nations in 1979; the major sector for investment was finance and insurance.

Foreign investment accounts for only a small part of total investment in Mexico. Mexican data, as reported by the Department of Commerce, show that the foreign participation in total private fixed investment slipped from 5 percent in the 1960's to 4 percent in the early 1970's, and to 3 percent in 1976. This downward trend continued into 1977, but more recently, foreign investment has taken an upturn. The United States is by far the largest foreign investor, followed by the Federal Republic of Germany and the United Kingdom.

About three-quarters of the total amount of foreign capital went to the manufacturing sector, a share which has remained relatively constant throughout the 1970's. It is estimated that foreign capital has accounted for about 25 percent of total new investment in manufacturing. <sup>1/</sup> Within the manufacturing sector, more than one-third of foreign investment was in the machinery and transport equipment industry and another one-fourth in the chemical industry.

Mexican interest in foreign private investment has been stimulated by the foreign investor's greater access to financing. Since 1973, a decreasing amount of domestic credit has been available for the Mexican private sector, with the effect that Mexican firms have been unable to obtain working capital or to invest in new capacity to the extent that would have otherwise been the case.

This credit squeeze occurred as a result of inflation and lack of confidence in Mexico's financial sector. Until 1973, resources available to the banking system grew substantially faster than GDP and allowed credit to the private sector to grow about twice as fast as GDP. Mexican banks attracted these resources because they offered interest from 2 to 5 percentage points above that offered by many foreign banks. In addition, Mexico enjoyed a positive real interest rate in its domestic market until 1972. However, more than one-half of the banks' resources consisted of very short-term nonmonetary deposits of 1 year or less, and about one-third of the value of the deposits were completely liquid. The liquidity of the liabilities<sub>37</sub> of the banking system, which was one of their attractions, also made the system highly vulnerable when, beginning in 1973, real interest rates turned negative

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<sup>1/</sup> Estimate of the World Bank.

and the interest rate differential between foreign and domestic rates was reversed. Rising inflation, the loss of the interest rate differential, and the expectation that the peso would be devalued, not only reduced the incentive to invest in peso-denominated financial assets, but also resulted in an actual outflow of short-term capital from Mexico. At the same time, borrowing by the public sector increased, adding to the credit squeeze on private industry's cash situation. Thus, savings were directed away from Mexican financial intermediaries and into foreign assets and cash, thereby reducing the domestic funds available for investment by Mexican firms and increasing the share of credit expansion financed by foreign sources to more than 50 percent.

Concern about the deterioration of Mexico's financial situation caused a slowdown in foreign direct investment in Mexico between 1976 and 1978, which reduced the flow of long-term capital into Mexico. However, Mexico's emergence as a major oil producer in 1978 has restored confidence in Mexico's economy and in the stability of its exchange rate. This caused long-term capital in the form of direct investment to increase during 1978 and 1979 and arrested the outflow of short-term capital, thereby easing the squeeze on credit. In addition, the supply of loanable funds available from Mexican banks has increased, reducing the need to borrow from foreign banks.

During 1979, with the restoration of confidence in Mexico's economy and the stabilization of the exchange rate, interest rates once again became the principal determinant of capital flows. In January 1978, the Mexican Government began issuing securities in the form of 90-day Treasury bills. As shown in table III-15, these carry a higher interest than comparable securities in the United States or Canada, and therefore attracted a growing volume of dollar deposits. In addition, since Mexico has no exchange controls, Mexican banks can accept deposits denominated in dollars or pesos. Interest rates on dollar deposits are tied to the London Euro-dollar market. During the second and third quarters of 1979, interest rates in this market increased, causing a sharp increase in dollar deposits. As a counter measure, the Mexican central bank raised interest rates on peso deposits, and began adjusting these on a weekly basis in August. Although this slowed the growth of dollar deposits, dollar-denominated liabilities of Mexican private banks had increased to 17.3 percent of total liabilities by the end of 1979, compared with 14.5 percent a year earlier. This pattern of interest rate movements shows how closely U.S. and Mexican financial markets are tied, in order to avoid having its market flooded with dollars, Mexico is virtually obligated to move interest rates on pesos in the same direction as U.S. interest rates and at a higher level.

Although it is not always available, short-term commercial credit in Mexico was reported by Price Waterhouse in October 1979 to be available at interest rates of between 18 and 20 percent per annum for a bank loan to a Mexican subsidiary denominated in pesos, even if repayment of the loan were guaranteed by a parent company having the highest credit rating abroad. 1/ Loans made in dollars usually carry an interest rate from 3 to 4 points lower. 2/ Long-term capital is reportedly relatively scarce in Mexico. Some larger banks make 5- to 7-year loans for the acquisition of fixed assets and sometimes participate in banking syndicates with foreign banks to provide up to 10-year financing to large industries in Mexico.

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1/ Price Waterhouse, Doing Business in Mexico, October 1979, p. 48.

2/ The interest rate on dollar-denominated savings is also lower--1 percentage point--than the interest rate on peso-denominated savings.

### Canadian Investment in Mexico

Canadian investment in Mexico amounted to (in Canadian dollars) \$54 million in 1973, \$64 million in 1974, \$75 million in 1975, \$68 million in 1976, and \$65 million in 1977, the latest year for which published statistics are available. In 1977, the major sectors of Canadian investment in Mexico were (in Canadian dollars): Manufacturing--primary industries, \$33 million; mining, \$27 million; finance, \$2 million; and other industry excluding the petroleum industry, \$2 million.

### Mexican Investment in the United States and Canada

Mexican investment in the United States amounted to approximately \$100 million. According to Department of Commerce data, Mexico conducted only 10 investment transactions in the United States between 1974 and 1979.

Data on Mexican investment in Canada are unavailable.

### Return on U.S. investment in North America

The United States had \$61.7 billion in direct investments in North America at the end of 1979, which generated \$9.6 billion worth of income for 1979. Income is the return on the U.S. direct investment position abroad, and consists of earnings (U.S. parents' equity in the net income after foreign income taxes) of their foreign affiliates plus net interest received on intercompany accounts, less withholding taxes on dividends and interest. It can also be defined as the sum of interest, dividends, and earnings of unincorporated affiliates plus reinvested earnings of incorporated affiliates. The following tabulation compares the average annual rate of growth of income from all U.S. direct investments in various countries and areas of North America between 1970-79 (in percent):

<u>Area or Country</u>	<u>Average annual growth of income</u>
Canada-----	15.0
Mexico-----	22.0
Panama-----	17.9
Other Central America-----	10.0
Caribbean nations-----	33.5
Bahamas-----	39.1
Bermuda-----	1/ 46.1
Jamaica-----	1/ 2.7

1/ 1971-79.

The tabulation shows that during the 1970's, income from U.S. direct investments in Mexico grew at a faster annual rate than income from investments in Canada. However, since Canada is the largest market for U.S. investments, the income from those investments greatly exceeded that derived from investments in Mexico. In 1979, for example, income from investments in Canada was \$5.3 billion, more than six times the income derived from investments in Mexico. More than 70 percent of the income from U.S. investments in Canada came from the petroleum, manufacturing, and chemicals sectors, all of which experienced higher than average rates of income growth during the period. In Mexico, the sectors experiencing the highest rates of income growth during 1970-79 were mining, petroleum, and finance.

U.S. investments in Bermuda had the highest average annual growth rate during 1971-79, and in 1979, Bermuda was the second largest source in North America of investment income for the United States. Most of this income was generated by U.S. investments in Bermuda's finance sector.

Table III-16 compares the rates of return on U.S. direct investments in various countries and areas of North America with the world. The rate of return on the direct investment position is defined as the ratio of income to the average of the beginning- and end-of-year positions. It is an average for existing investments at historical book value, and can thus be of only limited use in predicting the profitability of prospective new investments. As shown in table III-16, the rate of return on U.S. direct investment was greatest in the Caribbean nations, particularly in the Bahamas. In contrast, the return on U.S. direct investment in Canada and most Central American nations fell short of the average rate of return which the United States earned on its investments. On its direct investments in Mexico and Panama, the rate of return fluctuated near the average which the United States earned on its investments in the world.

### Investment trends by sector

In this section, sectors are ranked in descending order according to the level of investment (see tables III-17, III-18, and III-19). For the United States and Canada, investment is compared for the years 1972 and 1977; for Mexico, 1975 was the latest year for which data were available. As may be expected, investment in the United States and Canada was more concentrated in energy sectors than was the case in Mexico. The United States invested more heavily in industries requiring advanced technology, while Canada's investment was more concentrated in industries involving natural resources. Mexican investment was located for the most part in industries requiring less sophisticated technology. In all three countries, there was a trend toward investment in increasingly complex industries.

### Savings and Investment

Table III-20 compares savings and investment rates for selected countries of North America. The table shows that Canada consistently had the highest savings rate, while countries such as Honduras, Barbados, and Costa Rica had the lowest savings rates. The United States, which had a consistently lower savings rate than either Canada or Mexico, was the only country in which savings exceeded investment in 4 of the 5 years compared. In most of the countries, investment exceeded savings, and in the less-developed countries of Central America and the Caribbean, the difference was noticeably greater than in the more developed countries. For those countries which cannot finance their investment from domestic savings, the difference must be made up with foreign capital.

### Capital/labor ratios

Capital/labor ratios are derived by dividing the total capital stock of a country by its total available work force. Capital stock is defined as total gross domestic capital formation and includes plants, equipment, land, and livestock. It is obtained by accumulating investment flows, assuming an average asset life of 15 years (which equals a 13.3 percent depreciation rate). No other depreciation is assumed. The total available work force

Table III-16.--U.S. Direct investment, rate of return,  
by countries or areas, 1974-79 1/

(In percent)								
Country or area	1974	1975	1976	1977	1978	1979		
Canada-----	12.6	11.5	11.8	9.2	9.2	13.7		
Mexico-----	15.1	15.0	2.3	10.4	17.4	21.1		
Panama-----	18.3	23.1	11.7	15.3	10.9	15.9		
Other Central America---	8.4	9.5	10.7	13.8	2.6	7.0		
Caribbean-----	21.5	19.7	25.0	21.2	21.5	24.5		
Bahamas-----	23.7	46.8	76.7	62.0	51.1	37.1		
Bermuda-----	23.9	16.2	<u>2/</u>	<u>2/</u>	<u>2/</u>	21.1		
Jamaica-----	16.0	13.6	11.5	15.3	<u>2/</u>	<u>2/</u>		
World-----	18.1	14.2	14.6	14.0	15.8	21.0		

1/ Rate of return is defined as income divided by the average of the beginning- and end-of-year direct investment positions.

2/ Not available.

Source: Compiled from official statistics of the Bureau of Economic Analysis, U.S. Department of Commerce.

Table III-17.—United States: Investment by sector and percentage of total gross capital formation, 1972 and 1977

Rank	1972		1977	
	Sector	Percent of: total gross: capital formation	Sector	Percent of: total gross: capital formation
1----	Electricity-----	8.1	Electricity-----	7.7
2----	Petroleum and gas----	1.7	Petroleum and gas----	3.9
3----	Transport equipment : (mainly motor : vehicles)-----	1.6	Industrial chemicals--	2.6
4----	Industrial chemicals--	1.1	Transport equipment : (mainly motor : vehicles)-----	1.8
5----	Machinery n.e.c.-----	1.1	Machinery n.e.c.-----	1.6
6----	Food products-----	1.1	Paper and products----	1.2
7----	Electrical machinery--	.9	Food products-----	1.2
8----	Iron and steel-----	.8	Iron and steel-----	1.1
9----	Paper and products----	.7	Electrical machinery--	1.0
10----	Textiles-----	.7	Coal mining-----	1.0
	Total	17.8	Total	23.1

Source: United Nations Yearbook of Industrial Statistics and International Monetary Fund International Financial Statistics Yearbook.



Table III-18.--Canada: Investment by sector and percentage of total gross capital formation, 1972 and 1977

Rank	1972		1977	
	Sector	Percent of: total gross capital formation	Sector	Percent of total gross capital formation
1----	Electricity, gas, steam-----	8.2	Electricity steam-----	10.6
2----	Petroleum and gas-----	3.6	Petroleum and gas-----	5.1
3----	Metal ore mining-----	2.9	Industrial chemicals---	2.5
4----	Paper and products-----	1.9	Metal ore mining-----	2.0
5----	Petroleum refineries---	1.0	Paper and products-----	1.6
6----	Iron and steel-----	1.0	Other mining-----	.9
7----	Food products-----	.9	Iron and steel-----	.9
8----	Wood products-----	.8	Food products-----	.8
9----	Industrial chemicals---	.7	Petroleum refineries---	.8
10----	Other mining-----	.6	Transport equipment---	
			(mainly motor vehicles)-----	.7
	Total	21.6	Total	25.9

Source: United Nations Yearbook of Industrial Statistics and International Monetary Fund International Financial Statistics Yearbook.

Table III-19.—Mexico: Investment by sector and percentage of total gross capital formation, 1972 and 1975

Rank	1972		1975	
	Sector	Percent of: total gross: capital formation	Sector	Percent of: total gross: capital formation
1----	Industrial chemicals (mainly synthetic resins)-----	.8	Industrial chemicals (mainly synthetic resins)-----	.6
2----	Nonmetal products, n.e.c.-----	.7	Nonmetal products, n.e.c.-----	.6
3----	Food products-----	.5	Food products-----	.4
4----	Iron and steel-----	.4	Transport equipment (mainly motor vehicles)-----	.4
5----	Transport equipment (mainly motor vehicles)-----	.4	Paper and products----	.3
6----	Textiles-----	.4	Iron and steel-----	.3
7----	Beverages-----	.3	Metal ore mining-----	.3
8----	Paper and products----	.2	Beverages-----	.3
9----	Nonferrous metals-----	.2	Other chemical pro- ducts (mainly drugs and medicines)-----	.2
10----	Glass and products----	.1	Glass and products----	.1
	Total	4.0	Total	3.6

Source: United Nations Yearbook of Industrial Statistics and International Monetary Fund International Financial Statistics Yearbook.

Table III-20.—Savings and investment by countries, 1970 and 1974-77

(In percent)						
	1970	1974	1975	1976	1977	
Ratio of Gross National Savings to gross domestic product: <u>1/</u>						
Canada-----	21.8	24.8	21.3	22.0	21.0	
Mexico-----	19.2	21.8	19.1	19.8	17.8	
United States-----	18.0	18.4	16.9	17.3	17.6	
Panama-----	20.9	14.9	22.9	18.5	13.1	
Costa Rica-----	12.5	9.3	9.8	14.6	17.8	
El Salvador-----	13.7	14.0	17.0	18.3	22.7	
Guatemala-----	12.4	15.5	14.5	18.6	21.2	
Honduras-----	13.0	15.4	9.4	9.0	13.2	
Nicaragua-----	13.6	13.3	10.3	15.9	16.0	
Barbados-----	2.7	19.5	11.8	11.3	15.2	
Dominican Republic-----	10.7	15.1	22.4	15.8	16.7	
Haiti-----	12.8	14.0	15.5	17.4	14.4	
Jamaica-----	22.9	16.8	14.8	7.9	9.7	
Ratio of gross domestic investment: to gross domestic product:						
Canada-----	21.0	25.3	23.8	24.0	22.8	
Mexico-----	22.4	26.3	24.4	23.9	20.5	
United States-----	17.6	18.3	15.7	17.1	18.5	
Panama-----	26.4	27.2	31.4	28.8	21.7	
Costa Rica-----	20.5	26.8	21.6	23.7	24.9	
El Salvador-----	12.9	22.6	22.1	18.6	22.3	
Guatemala-----	12.8	18.6	16.1	20.1	20.9	
Honduras-----	19.2	26.0	20.6	17.7	22.0	
Nicaragua-----	18.4	30.3	21.9	19.3	24.5	
Barbados-----	27.1	24.3	19.1	21.2	22.0	
Dominican Republic-----	19.1	23.4	24.5	22.0	22.6	
Haiti-----	11.4	16.5	18.3	17.7	17.5	
Jamaica-----	31.6	23.8	24.7	18.1	10.5	

1/ Savings includes net current transfers from abroad.

Source: World Bank.

consists of the employed, the unemployed, and the armed forces. Table III-21 compares the ratio of capital per worker for selected North American countries. In general, the patterns in capital per worker reflect high rates of growth in the 1960's and early 1970's, a leveling off of investment in the mid-1970's, and the worldwide recession of the late 1970's. In Mexico, there was a large increase in investment in oil equipment between 1973 and 1975, but the growth in investment was smaller thereafter. In addition, in Mexico as well as in Panama, the total available labor force grew at a more rapid pace between 1975 and 1980 than did the capital stock, causing a decrease in capital per worker.

## Infrastructure

### Transportation services and facilities

Ports.--Virtually all of the major maritime ports of the United States, Canada, and Mexico have connecting rail <sup>1/</sup> and truck services, and are located in metropolitan areas that are also served by aircargo and passenger services. Generally, the maritime ports also have pipelines for delivery of oil between ships and storage tanks. The United States, Canada, and Mexico have pipeline networks also.

The United States and Canada have major maritime ports on their Atlantic and Pacific coasts and the St. Lawrence Seaway. The United States and Mexico have major ports on the Gulf of Mexico, and Mexico also has major ports on its Pacific coast.

In the United States, financing the construction of certain dockside facilities and/or deepening channels frequently has been administered by port authorities operated by States. Because of increased foreign demand for U.S. coal, and because of increased port congestion, plans are being developed to improve the harbors and adjacent facilities of Baltimore, Md.; Hampton Roads, Va.; and various other ports. Moreover, congressional action is being sought to deepen the Lower Mississippi River channel, and to facilitate the movement of coal-carrying barges into the Gulf of Mexico.

In Central America and the Caribbean, certain maritime ports of significance to international trade are as follows: Bahamas--Nassau, Freeport; Barbados--Bridgetown; Cayman Islands--Georgetown; Costa Rica--Limon, Puntarenas; Dominican Republic--Santo Domingo, Puerto Plata; El Salvador--La Union, La Libertad, Acajutla; <sup>2/</sup> Guadeloupe--Pointe-a-Pitre; Guatemala--Puerto Barrios, Santo Tomas de Castilla, San Jose, Champerico; Haiti--Port au Prince, Cap Haitien; Honduras--Puerto Cortes; Jamaica--Kingston, Montego Bay; Martinique--Fort-de-France; Nicaragua--Corinto, San Juan del Sur, Puerto Sandino, Puerto Cabezas, Panama Canal Zone--Cristobol, Balboa, Bahia Las Minas (Colon); Panama (other)--Almirante, Puerto Armuelles (oil transfer terminal); Trinidad and Tobago--Port of Spain, Pointe-a-Pierre, Point Fortin.

Intermodal transportation.--Recent years have seen the growth of intermodal transportation, facilitated by the use of cargo containers that are carried by ships, trains, and trucks. A typical length of such containers is 40 feet, generally carried two to a flatcar when moving by rail. Airfreight carriers use smaller containers which are easily transferred to and from trucks.

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<sup>1/</sup> At some ports, the railway tracks are not at dockside, but are in the port area.

<sup>2/</sup> Some freight, unloaded at Puerto Barrios, Guatemala, is forwarded to El Salvador by train or truck.

Table III-21.—Capital per worker, by countries, 1963, 1975, 1978, and 1980

(In constant 1966 dollars)					
Country	1963	1975	1978 <u>1/</u>	1980 <u>1/</u>	
United States-----	\$9,204	\$11,270	\$11,306	\$11,699	
Canada-----	9,019	12,463	12,512	12,570	
Mexico-----	1,469	2,969	2,680	2,378	
Panama-----	1,315	3,084	2,680	2,378	
El Salvador-----	545	1,066	1,336	1,602	

1/ Preliminary.

Source: Obtained from Harry Bowen, Office of Foreign Economic Research, U.S. Department of Labor.

In the United States, freight traffic has grown with the growth of the economy, but the percentage distribution among transport modes has changed considerably, as shown in table III-22.

In designated years, United States highway mileage was as follows (in thousands): 1/

	<u>1950</u>	<u>1960</u>	<u>1970</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>
Rural Mileage:						
Surfaced-----	1,679	2,165	2,411	2,483	2,509	2,498
Total-----	2,990	3,116	3,169	3,199	3,209	3,180
Municipal Mileage--	323	430	561	639	648	687
Total Mileage-----	3,313	3,546	3,730	3,838	3,857	3,867

During the same years, the route mileage of track owned and/or operated by U.S. railroads was as follows (in thousands): 2/

	<u>1950</u>	<u>1960</u>	<u>1970</u>	<u>1975</u>	<u>1976</u>	<u>1977</u>
Road Owned <u>1/</u>	224	218	206	199	176	190
Track Operated <u>1/ 2/</u>	237	230	220	215	191	209

1/ First track. Excludes other main tracks, yard tracks, and sidings.

2/ Includes mileage owned and operated in Canada.

The Federal Railroad Administration has found that about two-thirds of the railroad freight tonnage moves on one-fifth of the route mileage of the railroad network of the United States.

Because of deferred maintenance, both the highways and railroad track structures of the United States have deteriorated considerably in recent years. It must be observed that deferred maintenance of locks is a source of concern in connection with certain inland waterways as well.

In Canada, in 1974, 295,807 kilometers (183,800 miles) of highways and roads were under Federal or provincial jurisdiction and 564,912 kilometers (351,000 miles) of roads and streets were under the jurisdiction of local governments. 3/ In the same year, the length of first main track, on which Canadian railways operated, was 71,239 kilometers (44,260 miles). In 1976, the length was 70,471 kilometers (43,790 miles). 4/

In Mexico, in 1972, highway mileage was almost 78,000 (125,500 kilometers), of which 25,000 miles (40,200 kilometers) were paved. The jurisdiction of the Federal Government covered 21,000 miles (33,800 kilometers); that of State governments, an additional 21,000 miles (33,800 kilometers). The mileage of local roads amounted to about 36,000 (about 58,000 kilometers). Many of the Federal roads are designed to accommodate tourism from the United States.

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1/ Compiled from U.S. Bureau of the Census, op. cit., p. 638.

2/ Ibid., p. 657.

3/ Statistics Canada, Canada Year Book 1978-79.

4/ Weil, Thomas E., Area Handbook for Mexico, American University, Washington, D.C., 1975.

Table III-22.—Volume of domestic intercity freight and percentage distribution, by mode, in specified years 1950-1977

Mode	1950	1960	1970	1975	1976	1977
Volume (Billion ton-miles)						
Railroads 1/-----	628	595	771	759	800	832
Motor vehicles-----	173	285	412	454	510	555
Inland waterways 2/-: 3/ 163	163	220	319	342	373	368
Oil pipelines-----	129	229	431	507	515	546
Domestic airways----	4/	1	3	4	4	4
Total-----	1,094	1,330	1,936	2,066	2,202	2,305
Percentage distribution						
Railroads-----	57.4	44.7	39.8	36.7	36.3	36.1
Motor vehicles-----	15.8	21.5	21.3	22.0	23.2	24.1
Inland waterways----	14.9	16.6	16.5	16.6	16.9	16.0
Oil pipelines-----	11.8	17.2	22.3	24.5	23.4	23.7
Domestic airways----	5/	.1	.2	.2	.2	.2
Total-----	100.0	100.0	100.0	100.0	100.0	100.0

1/ Beginning in 1970, data exclude mail and express.

2/ Including Great Lakes.

3/ Excluding Hawaii.

4/ Less than 500 million ton-miles.

5/ Less than 0.05 percent.

Source: U.S. Bureau of the Census, Statistical Abstract of the United States, 100th Ed., 1979, p. 635.

Mexico's railway mileage (first-main-track basis) is about 15,000 miles. In 1973, Ferrocarriles Nacionales de Mexico (National Railways of Mexico) (NdeM), an autonomous Federal agency, operated 70 percent of the total trackage and carried 80 percent of both freight and passenger traffic.

Shortages of railway freight-carrying capacity have been and are a serious problem in Mexico 1/ and, from time to time, they have been a bottleneck in trade between Mexico and the United States and Canada. On occasion, because of problems in connection with the return of freight cars from Mexico, United States railroad companies have placed embargoes on railway freight shipments to Mexico.

A particularly bad tieup of railway equipment in December 1980 caused the NdeM to place an embargo at border gateway points on railroad shipments from the United States and Canada, unless the shipments were documented before December 23, 1980. At the time it was imposed, this embargo was expected to remain in effect through most of January. Sometime after imposing the embargo, NdeM exempted automobile parts, and products for the oil industry and electric utilities. Although Mexico has gradually increased the number of exemptions to the embargo (17 items by January 21, 1981), it had not lifted the embargo completely by late January.

The tieup in railway equipment occurred because northbound United States and Canadian railcars were unable to pass the southbound cars waiting to enter Mexico on the predominantly single track routes. According to the news reports from Houston, Tex., between 35,000 and 45,000 U.S. rail cars were idle in Mexico at the time the embargo was imposed. 2/ Among other things, the embargo caused a backup of millions of bushels of U.S. grain destined for Mexico. Railway freight shipped in trailers on flat cars (TOFC), or containers on flat cars (COFC), could enter Mexico if the containers were reloaded onto trucks or the trailers were attached to truck-tractors. However, sufficient numbers of trucks, tractors, and drivers were not available at or near the points where U.S. railroads connect with the NdeM.

Contributing to the railway problem was the use of southern U.S. maritime ports for ship-to-train transfers of some of the Mexican imports from third countries. 3/ The U.S. ports have deeper channels and more space for docking than do the Mexican ports. Consequently, the former can accommodate more and larger ships.

Until Mexico completes its program to upgrade railway facilities, embargoes can be expected from time to time. Mexico's upgrading program includes some double-tracking, some electrification, acquisition of more rolling stock, the expansion of existing freight terminals, and the construction of new freight terminals. More than 90 percent of Mexico's railway mileage is of single track construction. However, NdeM intends to double-track the railway between Mexico City and Guadalajara, and to electrify it. Later, NdeM wishes to double-track the line between Nuevo Laredo and Monterrey and, still later, double-track the line between Monterrey and Mexico

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1/ Congestion at railway freight terminals is one aspect of the problem.

2/ The Journal of Commerce, Dec. 24, 1980, p. 1.

3/ The Journal of Commerce, Jan. 12, 1981, p. 1.



City. To increase carrying capacity, centralized traffic control (CTC) already is being installed.

For most North American countries, data on road and railroad mileage per square mile of each country's land area are as follows:

<u>Country</u>	<u>Road</u>		<u>Railway</u>	
	<u>Miles</u>	<u>Miles per sq. mile</u>	<u>Miles</u>	<u>Miles per sq. mile</u>
Bahamas-----	1,066	.20	0	-
Barbados-----	<u>1/</u> 1,020	6.14	0	-
Costa Rica-----	<u>2/</u> 5,925	.30	488	.02
Dominican Republic-----	<u>3/</u> 4,202	.22	897	.05
El Salvador-----	<u>4/</u> 3,257	.40	374	.05
Guatemala-----	<u>5/</u> 10,649	.25	510	.01
Haiti-----	<u>6/</u> 2,485	.23	220	.02
Honduras-----	<u>7/</u> 3,500	.08	616	.01
Jamaica-----	10,208	2.41	231	.05
Nicaragua-----	<u>8/</u> 11,307	.20	232	<u>9/</u>
Panama-----	4,871	.16	203	.01
Trinidad and Tobago-----	2,620	1.32	109	.06
United States-----	3,867,000	1.09	190,000	.05
Canada-----	534,800	.15	43,790	.01
Mexico-----	78,000	.10	15,000	.02

1/ 840 miles are all-weather.

2/ All-weather. Mileage of "dry-season" roads not available.

3/ "First-class" plus "second-class"; third-class roads (1,557 miles) excluded.

4/ Excluding roads (2,872 miles) usable only in dry season.

5/ 1,1718 miles are paved.

6/ Little of this mileage is suitable for highway vehicles during the rainy season.

7/ 730 miles are paved.

8/ 936 miles are paved.

9/ Less than .005.

### Communications

The countries of North America benefit from a wide variety of communications services and facilities. Selected data, readily available for certain countries, are shown in tables III-23 and III-24.

Table III-23.—Telephones in use and volume of mail in certain North American countries, 1976

Country	Telephones in use		Mail			
	Total	Per 100 inhabitants	Domestic	Foreign		
				Sent	Received	
1,000 Units	Units	Million pieces	Million pieces	Million pieces		
United States-----	155,173	72.1	<u>1/</u> 89,768.0	911.4	1,368.0	
Canada-----	13,885	59.6	5,594.0	137.8	149.4	
Mexico-----	3,309	5.4	1,068.0	255.6	281.7	
Costa Rica-----	127	6.2	<u>2/</u> 28.2	<u>2/</u> 7.2	<u>2/</u> 13.4	
Dominican Republic-----	127	2.6	<u>2/</u> 5.9	<u>2/</u> 4.9	<u>2/</u> 11.0	
El Salvador-----	60	1.4	20.9	13.4	17.7	
Guatemala-----	<u>2/</u> 55	<u>2/</u> 1.0	26.7	11.3	16.3	
Honduras-----	19	0.7	<u>2/</u> 15.2	<u>2/</u> 10.1	<u>3/</u> 17.9	
Jamaica-----	109	5.4	76.9	8.4	22.7	
Nicaragua-----	55	2.5	12.0	7.8	16.1	
Panama-----	155	9.0	7.4	9.8	13.8	
Trinidad and Tobago--	70	6.5	21.3	10.2	18.7	

1/ Data from U.S. Department of Commerce, Bureau of the Census, Statistical Abstract of the United States, 1979, p. 580.

2/ Data are for 1975.

Source: Euromonitor Publications, Ltd., International Marketing Data and Statistics 1978/79, London, England, 1979, p. 294, except as noted.

Table III-24.--Radio and television receivers in use in certain  
North American countries, 1977

Country	Radios		Television sets	
	Total	Per 1,000 inhabitants	Total	Per 1,000 inhabitants
	<u>1,000</u>		<u>1,000</u>	
United States---	402,500	1,861	130,000	500
Canada-----	24,500	1,050	11,380	488
Mexico-----	21,000	325	8,000	124
Costa Rica-----	155	75	178	86
Dominican				
Republic-----	205	41	165	33
El Salvador-----	1,700	399	150	35
Guatemala-----	268	42	120	19
Honduras-----	166	57	50	17
Jamaica-----	900	341	120	57
Nicaragua-----	148	64	100	43
Panama-----	275	155	190	107
Trinidad and				
Tobago-----	330	295	160	143

Source: Ibid., p. 218.

The following tabulation provides data on newspaper circulation: 1/

Country	Number of daily Newspapers		Circulation per 1,000 inhabitants	
United States-----	<u>2/</u>	1,798	<u>2/</u>	293
Canada-----	<u>3/</u>	<u>4/</u> 121	<u>3/</u>	<u>4/</u> 230
Mexico-----	<u>5/</u>	173	<u>5/</u>	79
Bahamas-----		2		159
Barbados-----		1		98
Belize-----		1		29
Costa Rica-----		6		97
Dominican Republic-----		10		43
El Salvador-----		6		51
Guatemala-----	<u>6/</u>	8	<u>6/</u>	28
Haiti-----		7		21
Honduras-----		7	<u>7/</u>	
Jamaica-----		3		90
Nicaragua-----		3		26
Panama-----	<u>3/</u>	9	<u>3/</u>	89
Trinidad and Tobago-----		2		92

1/ Data are for 1974 unless otherwise indicated. All data are from United Nations, Compendium of Social Statistics: 1977, New York, 1980, pp. 382-83.

2/ English language dailies only.

3/ 1973 data.

4/ English and French language dailies only.

5/ 1960 data. In 1974 there were 249 daily newspapers, but data on circulation per 1,000 inhabitants are not available for that years.

6/ 1970 data. In 1974 there were 11 daily newspapers, but data on circulation-population relationship are not available for that year.

7/ Not available.

### Education

All or virtually all of the countries of North America have primary and secondary schools, colleges, and universities. In at least some of these countries, these institutions are supplemented by vocational schools and correspondence schools. In many instances, education is furthered by on-the-job training.

The rate of illiteracy varies widely from country to country. Among those for which data are readily available, the rate ranges from about 1 percent (United States and Canada) to 53 percent (Honduras). Some of the Central American neighbors of Honduras also have very high rates of illiteracy, notably Nicaragua and El Salvador (43 percent each), and Guatemala (50 percent). Selected education indicators are shown in table III-25.

### Housing

Housing conditions vary enormously among the countries of North America. Whereas 99 percent of the dwellings in the United States and Canada had piped water in 1976, only 16 percent of the dwellings in Guatemala and 19 percent in the Dominican Republic enjoyed this convenience in that year. Also in 1976, 99 percent of the dwelling units in the United States and Canada had electric

Table III-25.--Enrollment in educational institutions, student and teacher ratios, and rates of illiteracy in certain North American countries

Country	Primary schools		Secondary schools		College and University		Illit- eracy level
	: : : : : :		: : : : : :		: : : : : :		
	Students	Student :to teacher ratio	Students	Student :to teacher ratio	Students	Student :to teacher ratio	
	1,000's		1,000's		1,000's		percent
United States 1/-----	33,300	25	15,700	14	11,300	16	1
Canada 2/-----	2,611	27	2,629	16	382	12	1
Mexico 3/-----	12,601	49	2,999	23	600	19	12
Costa Rica 4/-----	375	28	143	16	33	5/	10
Dominican Republic 3/-----	868	55	178	21	50	29	33
El Salvador 2/-----	723	47	45	22	26	13	43
Guatemala 6/-----	706	38	135	19	23	16	50
Honduras 4/-----	483	35	74	19	13	14	53
Jamaica 3/-----	435	39	130	28	8	13	11
Nicaragua 4/-----	308	33	98	37	20	18	43
Panama 4/-----	351	31	129	23	31	24	20
Trinidad and Tobago 6/-----	203	31	28	23	3	5/	5/

1/ 1978 data.

2/ 1974 data.

3/ 1977 data.

4/ 1976 data.

5/ Not available.

6/ 1975 data.

Source: Euromonitor Publications Ltd., International Marketing Data and Statistics 1978/79, London, England, 1979, pp. 278-79.

lighting, but only 32 percent of the units in Guatemala and 36 percent in the Dominican Republic had electricity in that year.

Various indicators of housing conditions for 1976 are shown in table III-26.

### Health

Among the countries of North America, there are considerable differences in life expectancy at birth and medical and dental care. Data on such life expectancy are shown in table III-27.

Data on the relationship between specified health practitioners and population, by country, are as shown in table III-28.

## Taxation and Investment

### Taxation in Canada

Canadian residents are taxable on their worldwide income, with credits, or in some cases deductions from income, given for taxes paid to foreign countries on income derived from non-Canadian sources. Nonresidents are subject to Canadian Federal income taxes on income derived from carrying on a business in Canada and on 50 percent of capital gains arising from the disposition of taxable Canadian property including, for example, real estate properties situated in Canada and shares of Canadian private companies. Canada's income-tax treaties generally provide for lower tax rates and in some cases may limit the ability of Canada to impose tax on Canadian capital gains realized by nonresidents.

Corporate tax rates.--The basic Federal corporate tax rate is 46 percent. This rate is then reduced by a 10-percent abatement designed to allow the provinces room to impose provincial corporation income taxes, ranging from 9 to 15 percent of taxable income. The abatement is available only on taxable income allocated to a Canadian province or to the Northwest Territories. Income allocable to foreign jurisdictions or to the Yukon is subject to the full rate of Federal tax; however, at the present time no separate corporation tax is imposed by the Yukon. Four types of credit are available against income tax otherwise payable: (1) an investment tax credit, (2) a manufacturing and processing profits tax credit, (3) a small business tax credit for certain Canadian-controlled private corporations, and (4) a foreign tax credit.

Investment tax credit.--Investment tax credits are designed to encourage investment in Canada, particularly in the less-developed regions. Depending on the region, investment tax credits of 7, 10, or 20 percent are available for expenditures incurred in acquiring certain buildings, machinery or equipment, or on scientific research and development. In addition to the basic writeoff permitted on 100 percent of research and development expenditures, the Canadian Federal Government has established additional deduction for the 10-year period, 1978-87. During this period, corporations will be allowed an additional deduction, in arriving at taxable income, amounting to 50 percent of the "incremental" research and development expenditure (including capital expenditures) in a particular year. <sup>1/</sup>

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<sup>1/</sup> Incremental expenditure generally means expenditures for the year in excess of average annual expenditure in the 3 immediately preceding years.

Table III-26.—Selected housing statistics for most North American countries in 1976

Country	Number of dwellings	Rooms per dwelling	Persons per room	Dwellings having—			
				Piped water	Flush toilet	Electricity	Telephone
		Average Number	Average Number	Percent	Percent	Percent	Percent
	1,000						
United States	70,307	5.1	.6	99	99	99	95
Canada	7,242	5.4	.6	99	98	99	87
Mexico	11,448	2.2	2.5	50	46	72	24
Costa Rica	330	4.4	1.4	85	51	68	32
Dominican Republic	1,170	2.3	1.8	19	20	36	11
El Salvador	775	1.6	3.3	31	26	39	9
Guatemala	1,205	2.4	2.2	16	8	32	5
Honduras	542	3.0	1.7	20	27	33	6
Jamaica	528	2.3	1.5	30	42	1/	21
Nicaragua	405	2.2	2.5	28	28	46	49
Panama	336	2.3	2.1	32	46	58	37
Trinidad and Tobago	211	2.9	1.8	40	32	1/	25

1/ Not available.

Source: Euromonitor Publications Ltd., International Marketing Data and Statistics 1978/79, London, England, 1979, p. 270.

Table III-27.—Life expectancy at birth, by countries and sexes

Country	Year(s)	Life expectancy in years—	
		Males	Females
United States-----	1975	68.7	76.5
Canada-----	1970-72	69.3	76.4
Mexico-----	1975	62.8	66.6
Bahamas-----	1969-71	64.0	67.3
Barbados-----	1959-61	62.7	67.4
Costa Rica-----	1962-64	61.9	64.8
Dominican Republic-----	1959-61	57.2	58.6
El Salvador-----	1960-61	56.6	60.4
Guatemala-----	1963-65	48.3	49.7
Jamaica-----	1959-61	62.7	66.6
Panama <u>2/</u> -----	1970	64.3	67.5
Trinidad and Tobago-----	1970	64.1	68.1

1/ The source used for the above data did not show statistics for Belize, Haiti, Honduras, or Nicaragua.

2/ Data exclude Canal Zone and tribal Indians.

Source: United Nations, Compendium of Social Statistics: 1977, New York, 1980, pp. 607-08.



Table III-28.—Health personnel for selected occupations per 1,000 population and population per health practitioner in specified years

Country	Physicians		Dentists		Nursing Personnel	
	Number per 1,000 pop.	Population Per physician	Number per 1,000 pop.	Population Per dentist	Number per 1,000 pop.	Population Per nurse
United States:						
1965-----	14.8	670	4.8	2,080	46.4	220
1972-----	16.5	600	5.0	1,980	61.0	160
Canada:						
1965-----	12.2	820	3.3	3,070	29.3	340
1972-----	15.8	630	3.5	2,870	74.6	130
Mexico:						
1965-----	4.0	2,020	<u>1/</u> .8	<u>1/</u> 12,270	1.9	5,170
1970-----	6.9	1,440	1.0	9,620	6.4	1,570
Bahamas:						
1964-----	7.5	1,330	1.3	7,880	3.7	2,730
1972-----	8.5	1,170	1.6	6,380	32.4	310
Belize:						
1965-----	2.8	3,530	.4	26,500	16.0	620
1972-----	3.2	3,120	.2	42,670	11.1	900
Costa Rica:						
1964-----	4.9	2,030	<u>1/</u> 1.5	<u>1/</u> 6,560	8.3	1,210
1972-----	<u>2/</u> 3.8	<u>2/</u> 2,670	<u>2/</u> .2	<u>2/</u> 55,820	<u>2/</u> 14.2	<u>2/</u> 710
Dominican Republic:						
1965-----	3.9	2,590	<u>3/</u> 1.4	<u>3/</u> 7,300	1.1	9,220
1972-----	5.2	1,940	1.2	8,340	.7	13,580
El Salvador:						
1965-----	2.2	4,510	.6	18,070	6.2	1,610
1972-----	2.5	3,950	1.0	10,110	8.9	1,120
Guatemala:						
1965-----	2.7	3,690	.4	23,860	2.6	3,830
1972-----	2.3	4,430	.5	21,920	1.4	7,120
Haiti:						
1965-----	.7	14,000	<u>1/</u> .3	<u>1/</u> 32,520	.7	14,320
1972-----	.8	12,310	.2	59,680	1.1	9,520
Honduras:						
1965-----	1.9	5,400	<u>1/</u> .4	<u>1/</u> 22,980	4.6	2,200
1972-----	2.9	3,440	.7	13,500	<u>4/</u> 5.7	<u>4/</u> 1,760
Jamaica:						
1965-----	5.0	1,980	.8	13,170	<u>1/</u> 24.7	<u>1/</u> 400
1972-----	2.5	3,920	.5	18,310	11.7	850
Nicaragua:						
1965-----	3.9	2,560	1.2	8,440	2.0	4,880
1972-----	6.8	1,460	1.5	6,860	10.1	990
Panama:						
1965-----	4.7	2,130	.9	10,740	6.0	1,660
1972-----	7.0	1,420	1.0	9,830	6.9	1,440
Trinidad and Tobago:						
1965-----	2.6	3,820	.8	12,830	12.7	790
1972-----	4.2	2,380	.5	19,810	28.1	360

1/ Data are for 1963.2/ Data are for hospital personnel only.3/ Data are for 1964.4/ Personnel in Government services.Source: United Nations, Compendium of Social Statistics: 1977, New York, 1980, pp. 237-239.

There are no tax concessions specifically aimed at attracting foreign investment to Canada. Neither are there specific tax incentives to encourage Canadians to invest abroad, although reimbursement is available for all or part of the business costs involved in the initial information gathering process.

Manufacturing and processing profits deduction.--To encourage the development of manufacturing industry in Canada, the Government offers a 6-percent tax credit applicable to manufacturing and processing profits. This reduces the Federal corporate tax rate to 40 percent. In addition, the capital cost of machinery and equipment used in manufacturing or processing operations may be written off over a 2-year period. These lower rates of tax apply only to profits allocable to actual manufacturing and processing activities, and not to profits allocable to such activities as merchandising, sales, and distribution. The following operations are specifically excluded from eligibility for this tax credit: farming or fishing, logging, construction, operating an oil or gas well, extracting minerals or processing ore from a mineral resource, producing or processing electrical energy or steam for sale, and processing of gas by a public utility.

Small business tax credit.--Small business corporations whose active business income is C\$750,000 (Canadian dollars) or less qualify for a credit which reduces the Federal income tax rate on the first C\$150,000 to 25 percent (15 percent after the 10-percent provincial abatement). <sup>1/</sup> Certain of the provinces offer similar credits which reduce the normal corporate tax rate in those provinces by 2 to 3 percent. The purpose of the tax credit is to assist small Canadian corporation to accumulate capital in order to expand their businesses.

Foreign tax credits.--Corporations resident in Canada are in general subject to Canadian tax on their income from all sources, inside or outside of Canada, and whether or not remitted to Canada. A Canadian corporation operating a branch in a foreign country is normally taxable in that country on the profits of the branch. Since the same income, determined according to Canadian rules, is also taxed in Canada, a foreign tax credit is given by Canada against Canadian taxes otherwise payable, to the extent of the lesser of the foreign tax paid or the Canadian tax on the foreign income.

Canadian corporations owning direct investments in foreign corporations are not subject to any Canadian tax until the income is distributed to Canada. However, if a Canadian corporation owns, directly or indirectly, at least 10 percent of the shares of any class of stock of a foreign corporation, the Canadian corporation is taxed on its share of the foreign corporation's "foreign accrual property income" (FAPI) whether or not remitted to Canada.

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<sup>1/</sup> Active business is defined in the November 1978 Canadian Federal Budget as "the business of manufacturing or processing of property for sale or lease, mining, operating an oil or gas well, prospecting, exploring or drilling for natural resources, construction, logging, farming, fishing, leasing property other than real property, selling property as a principal, transportation or other qualifying businesses." Certain personal service and investment businesses have been specifically excluded from qualifying as active businesses.

The purpose of the FAPI provisions is to prevent Canadian residents from either avoiding or postponing current Canadian tax on certain passive or investment-type income which could otherwise be diverted with relative ease to foreign corporations or trusts.

Deductions.--Other than land, most tangible property acquired for the purpose of earning income is depreciable for tax purposes, as is intangible property of a fixed duration such as rights, franchises, and licenses. Typical depreciation allowance rates are 5 percent for buildings or structures; 20 percent for machinery and equipment; and 30 percent for automotive equipment. These rates are applied on a diminishing balance basis.

Depletion is allowed for Federal tax purposes on the basis of \$1 of allowance for each \$3 of expenditures on qualifying exploration and development activities such as plant and equipment for a new mine and certain new processing facilities, to a maximum of 25 percent of resource profits. On certain types of resource investments, a higher rate of depletion applies.

Limited deductions are available for losses suffered in other tax years. New capital losses may be carried back 1 year and forward indefinitely, but a corporation may apply such losses only against net capital gains of other years. <sup>1/</sup> The deduction is no longer available if control of the corporation changes hands before the loss is fully applied.

Royalties, management fees, and other similar payments to affiliated nonresidents are deductible expenses to the extent that they are incurred to earn income for the Canadian company and are not in excess of what would be paid to an arm's length party (fair market value). Interest on borrowed money used for the purpose of earning business or property income is also deductible.

Branch income.--Profits of a foreign corporation, which are derived from carrying on business in Canada through a Canadian branch, are taxed at normal corporate rates, plus an additional tax of 25 percent on after-tax profits minus increases or plus decreases in the branch's investment in Canadian property. For branches of companies resident in countries having tax treaties with Canada, this additional branch tax is reduced to the rate of the dividend withholding tax prescribed in the relevant treaty (generally 15 percent). The branch tax is not applicable to branches of banks, transportation, communication, and iron ore mining companies.

Treaties.--Canada has negotiated tax treaties with the following countries: Australia, Austria, Belgium, Denmark, Dominican Republic, Finland, France, Germany, Indonesia, Ireland, Israel, Italy, Jamaica, Japan, Korea, Liberia, Malaysia, Morocco, Netherlands, New Zealand, Norway, Pakistan, Philippines, Romania, Singapore, South Africa, Spain, Sweden, Switzerland, Trinidad and Tobago, United Kingdom, and the United States. Canada is currently working to extend its network of treaties; therefore, many treaties are under renegotiation or negotiation, possibly with retroactive effect.

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<sup>1/</sup> Net capital losses are defined as the excess of one-half of capital losses over one-half of capital gains. (Price Waterhouse: Doing Business in Canada, April 1979, p. 94.)

United States/Canada tax treaty.---On September 26, 1980, the United States and Canada signed a new Capital and Income Tax Convention which, when ratified by both governments, will replace the existing 1942 convention. Under the agreement, the maximum rates of withholding taxes for nonresidents may not exceed 10 percent (compared with 15 percent in effect under the 1942 convention) on direct dividends, on patent royalties, on technical know-how payments, and 15 percent on portfolio dividends, interest and periodic pension payments. The agreement further provides that any profit or income from real property, including natural resource royalties, may be fully taxed in the country where the property is located. Furthermore, any gains from the disposition of real property or business assets of a permanent establishment in a country may also be fully taxed in that country, a significant change from the 1942 convention. Other changes include expanded relief for contributions to charitable organizations and universities; removal of restrictions on the deductibility of convention expenses; revised treatment of social security benefits, pension payments, and annuities; and more effective mutual agreement procedures for resolving problems of double taxation.

### Investment incentives

The Government of Canada offers to investors cash grants, repayable and nonrepayable loans, cost sharing, technical assistance, and equity participation in an effort to promote various Government objectives including (a) increased exports of Canadian goods and participation of Canadian business in foreign projects, (b) upgrading of labor force skills, (c) establishment of new industries or expansion of existing industries in areas of slow economic growth and high unemployment, (d) improvement in the quality of Canadian product design, (e) upgrading of technology through increased research and development activities, and (f) increased productivity of Canadian industry. In all, there are more than 50 Federal and provincial incentive programs of various kinds. In most instances, these incentives are available only to corporations formed in Canada, including those which are foreign controlled. Several of the more important incentive programs are discussed below.

Regional Development Incentives Act (RDIA).---The RDIA is intended to stimulate the establishment and expansion of manufacturing and processing facilities in designated areas of Canada characterized by high unemployment and slow economic growth. Under the act, nonrepayable cash grants are available to businesses establishing, expanding, or modernizing production facilities in such economically depressed areas. Most manufacturing and processing industries are eligible for these grants, except for initial processing activities in resource-based industries such as mining, pulp and paper, and petroleum refining.

Industrial Research Assistance Program (IRAP).---Through the IRAP, Canada encourages firms to undertake applied research in areas where there is a potential for commercial development. Cash grants are available for projects involving applied experimental research in the physical or life sciences requiring the services of qualified scientists or engineers. In some cases, research involving computers and mathematics is also eligible.

Enterprise Development Program (EDP).--The EDP is designed to promote the growth, efficiency, and improvement of Canadian processing and manufacturing industries by making them more internationally competitive. The program is specifically designed to aid small and medium-sized firms facing high risks or structural adjustment problems in their attempts to increase exports. EDP has absorbed or replaced various former adjustment assistance programs.

#### Restrictions on foreign investment

Although some industries are under close control by Canadian Federal or provincial governments, no industry is closed to foreign investment. However, in a few industries there are statutory restrictions on foreign ownership. For example, under the Broadcasting Act, only Canadian citizens or Canadian corporations in which the chairman and each director is a Canadian citizen and 80 percent of the shares of the corporation are owned by Canadian citizens or by Canadian-controlled corporations can be granted a license to operate a broadcasting station or a network of broadcasting stations. In the banking sector, nonresidents cannot hold more than 25 percent of the issued and outstanding shares of a chartered bank, life insurance company, sales finance company, loan company, or trust company. Furthermore, only 10 percent of these issued and outstanding shares may be held by a single nonresident together with his associates. Legislation currently being considered by the Parliament would permit foreign banks to open subsidiaries in Canada, provided they comply with restrictions on total assets and lending volume.

Foreign Investment Review Agency (FIRA).--With the enactment of the Foreign Investment Review Act in 1973, Canada modified its traditional open policy toward foreign investment by establishing a comprehensive screening procedure intended to insure that acquisitions and new investments by foreigners be of "significant benefit to Canada." Significant benefit is assessed in terms of five factors: (1) the level and nature of economic activity; (2) the participation by Canadians; (3) productivity, industrial efficiency, technological development, and product innovation; (4) the effect on competition; and (5) other national and provincial economic policy objectives. The Act requires the screening of takeovers of Canadian firms by "noneligible persons" (a foreign individual, a Canadian citizen who has settled in a foreign country, a foreign government, or a foreign-controlled corporation whether or not incorporated in Canada). The Act also requires screening of new direct investments and expansions by existing foreign-controlled firms into new activities, but at the present time exempts from screening expansions into related activities by existing foreign-controlled firms. Noneligible persons wishing to invest in Canada must apply to FIRA, which evaluates investment proposals. Since its inception in 1974, FIRA has approved more than 80 percent of applications. In 1978, the percentage of acceptances rose to more than 95 percent.

During 1980, legislation was proposed which would expand FIRA's mandate. First is a measure to review periodically the activities of large foreign firms in Canada with particular attention to Canadian participation in management and equity, exports, research and development, technology transfer, autonomy of the Canadian subsidiary, and policies followed by companies in sourcing their supplies. Secondly, large takeover bids by foreigners would be published before FIRA makes a decision to allow or disallow them. Third, the legislation proposes to make financial assistance, probably through loan guarantees, available to Canadian-controlled firms that want to repatriate the assets of foreign-controlled firms in Canada or that want to compete with foreign firms for the takeover of Canadian business enterprises.

## Taxation in Mexico

Mexican businesses are taxable on their worldwide income with only limited credit available for taxes paid to foreign countries. It is not Mexico's policy to sign tax treaties with foreign countries for the relief of double taxation. All Mexican businesses are taxed at the same rates; however, separate rules apply for the taxation of three principal classes of taxpayers: resident Mexican business enterprises, Mexican residents and citizens, and nonresident foreign business enterprises and individuals.

Corporate tax rates.--Corporations are liable for Federal income taxes at the following rates:

(1) If taxable income does not exceed 500,000 pesos, the first 2,000 pesos is exempt from tax. Taxable income in excess of 2,000 pesos is subject to graduated rates ranging from 5 percent on the first 1,500 pesos to 38 percent on amounts of more than 400,000 pesos.

(2) If taxable income is greater than 500,000 pesos but less than 1.5 million pesos, the tax is equal to 42 percent of total taxable income less 6.65 percent of the difference between 1.5 million pesos and total taxable income.

(3) If taxable income exceeds 1.5 million pesos, the tax is levied at a flat rate of 42 percent. 1/

There are no State taxes on corporate net income, although most States and the Federal District (Mexico City) levy a tax on the gross amounts of interest and certain other types of income from capital loaned or invested within their borders.

Two types of tax credits are available against income tax otherwise payable: the foreign tax credit, and investment and employment tax credits.

Foreign tax credit.--Although there is no provision in the Mexican Income Tax Law specifically allowing the deduction of foreign income taxes paid by Mexican business enterprises, a foreign tax credit is available for income taxes paid on foreign source income in the country where the income originated. This credit is not available for taxes paid by foreign subsidiaries of Mexican companies. The amount of the credit is limited to the lower of the foreign income tax paid or the Mexican income tax payable under the Mexican Income Tax Law.

Investment and employment tax credits.--The present Mexican Government has authorized various tax credits directed toward creating job opportunities in the least developed regions of the country and increasing exports of manufactured and other products in order to improve the balance of payments. Such incentives include: a tax credit of up to 20 percent on fixed investments in new or expanded facilities, a 5-percent tax credit on the purchase of Mexican-made products, and a tax credit for new-employment generation of 20 percent of the payroll for 2 years. These incentives are available only for Mexican individuals and for companies 51 percent Mexican owned which comply with certain other restrictions.

Deductions.--In general, all types of fixed assets except land, and all intangible property except goodwill, are depreciable or amortizable for income tax purposes, as long as the assets have been acquired for business purposes. Deductions for depletion of natural resources are allowed on a cost basis.

Losses incurred by business enterprises in 1 year may be carried forward for deduction from otherwise taxable profits for up to 3 years or 4 years in the case of losses incurred in the first 3 years of operation of a company. No loss carrybacks are permitted. If a taxpayer distributes profits before fully replacing losses which reduced net worth, he loses the right to deduct in future years that part of the loss equal to the profit distributed.

Royalties are deductible if paid under contracts approved by the National Registry of Transfers of Technology, and taxes are withheld.

Interest on loans is deductible if the proceeds of the loans have been invested in the business of the company and proper withholding taxes have been paid.

Dividends.--Dividends are generally taxable at a rate of 21 percent.

Branch operation.--Branches of foreign corporations operating in Mexico are required to pay both the normal corporate income tax and the dividend tax on profits remaining after deducting income tax and obligatory employee profit sharing, whether or not profits are actually remitted abroad. Only income of the branch itself is taxable and it is subject to the same limitations on deductions as other business taxpayers, except that deductions are not allowed for royalties, service fees, or interest paid to the head office or for exchange losses on amounts due to the head office.

### Investment incentives

In addition to tax incentives for regional development, the Government of Mexico offers a number of other investment incentives.

Discounts on industrial energy supplies and basic petrochemicals.--A presidential decree, published on June 19, 1979, grants special discounts in prices for industrial supplies of electric power, natural gas, fuel oil, and certain petrochemicals used by companies making new installations or expanding existing productive capacity by at least 400 percent in certain areas of the country. Depending on the region and type of company, the discounts range up to 30 percent. In some cases, the discounts are available to companies with majority foreign ownership. The discounts on industrial energy supplies must be requested prior to November 30, 1982, and expire on December 31, 1988.

In-bond processing plants.--Mexico allows 100-percent foreign ownership of companies which process or assemble imported materials and parts for reexport to the United States or other countries. Originally developed to increase employment opportunities for the largely underdeveloped area just south of the border with the United States, these companies are now allowed in all parts of Mexico except where it is considered inadvisable because of industrial and population concentration or environmental pollution. Because of this restriction, the Mexico City district is ineligible for in-bond plant location. Free zones have been created in Baja California, so that merchandise and equipment may be moved free of customs duties unless shipped

to other parts of Mexico. In areas outside the free zones, companies can import machinery and equipment as well as materials and parts on a temporary basis free of customs duties, so long as the materials and parts are reexported or consumed in processing the articles which are reexported. Under provisions in U.S. tariff laws (806.30 and 807.00), many of the products exported to the United States are dutiable only on the value added in Mexico. The provisions allow U.S. companies to take advantage of lower Mexican wage rates. Moreover, it is estimated that the border companies are attaining 120 to 130 percent of U.S. labor productivity rates. <sup>1/</sup>

Resort development.--To stimulate the expansion of the tourist industry in Mexico, the Government of Mexico allows foreigners to own all rights except bare title to land in the coastal areas. As further encouragement, a Government trust has made substantial investments in the infrastructure necessary for the development of resorts. The Government also provides guarantees to Mexican banks for financing granted to the tourist industry, and also will purchase shares of companies in the industry on a temporary basis.

Industrial parks.--Industrial parks, often with land available on relatively favorable terms, have been established in a number of areas to provide the infrastructure needed by industry.

Nacional Financiera, S.A.--Nacional Financiera, S.A., a large Government-owned development bank, offers various types of assistance, from feasibility studies to direct investment in capital stock and long-term financing. The bank also assists in arranging joint ventures of foreign and Mexican investors in companies producing capital goods.

Export credits.--Export financing and guarantees for export sales are available through several Government-owned Mexican banks.

### Investment restrictions

The Law for the Promotion of Mexican Investment and the Regulation of Foreign Investment.--This law, passed in 1973, centralizes controls over foreign investment within the National Commission on Foreign Investment. It states that foreign investment "will be received when it helps to achieve the country's objectives, when it acts to complement national investments and does not displace existing business enterprises that operate satisfactorily." The purpose of the law is to limit foreign investments to those which bring in technology not otherwise available, produce goods locally that were previously imported, increase the country's exports, or provide substantial new employment. The law applies only to direct investments made since 1973; those made prior to 1973 must only comply with registration requirements and with any applicable provisions concerning expansion, new lines of products, new facilities, and increases in the percentage of foreign ownership in the concern. In general, the law limits foreign investment in new Mexican companies to a maximum of 49 percent, unless special approval is obtained. The law also provides that all foreign individuals and corporations with equity investments in Mexico and Mexican companies with any foreign ownership must register with the National Registry of Foreign Investment.

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<sup>1/</sup> Price Waterhouse information guide, Doing Business in Mexico, October 1979, p. 45.



Sectors in which foreign ownership is not permitted.--Both foreign investment and private Mexican investment are specifically prohibited in the following areas reserved solely to the Mexican government: petroleum and hydrocarbons, basic petrochemicals, radioactive materials, power generation and distribution, certain mining activities, railroads, telegraphy and radio communications, and such other activities as may be specified by law. In addition, foreign investment is prohibited in the following sectors reserved solely for Mexican investors or wholly Mexican-owned companies: radio and television broadcasting; operation of transportation systems such as airways, maritime shipping and urban, interurban, and Federal highway automotive transportation (such as running a bus line); logging operations; distribution of gas; and such other activities as may be specified in laws or decrees issued by the executive department. In addition, foreign companies may not acquire title to land or waters anywhere within the country, or own shares within 100 kilometers (62 miles) from the borders and 50 kilometers (31 miles) from the coastlines.

Sectors where foreign ownership is permitted.--Except as otherwise specified, foreign investment is permitted up to a maximum of 49 percent of the capital of business enterprises so long as the foreign investors do not have the administration or the power to determine management of the enterprise. Included in the exceptions to this general rule are (1) mining operations, in general up to 49 percent, although in national reserve areas only up to 34 percent; (2) secondary petrochemical industry, up to 40 percent; (3) production of automobile parts, up to 40 percent; and (4) other areas as specified in other laws or in regulations issued by the executive department.

Patents and trademarks.--In 1973, the Law on the Registration of the Transfer of Technology and the Use and Exploitation of Patents and Trademarks was passed, requiring registration of all contracts and agreements involving the use of patents and trademarks or supply plans, diagrams, models, instructions, formulas, engineering details for installations, managerial assistance, or personnel training. Registration of contracts is permitted only after it is determined that there are no violations of provisions of the law prohibiting certain technology transfer practices such as: obliging a licensee to buy equipment, tools, parts, or raw materials only from a certain supplier; limiting a licensee's sales freedom or requiring a licensee to sign exclusive sales or representation contracts with the licensor. In addition, the following contracts are prohibited: those that involve transfer of technology available in Mexico; those that establish long terms of validity (10 years is considered the usual maximum); those that set a royalty too high for the technology sold; those that permit the licensor to interfere with the management of the licensee; or those that prohibit the use of complementary technology.

In February 1976, the Mexican Congress approved a new patent and trademark law to replace the previous law which had been in effect since 1943. Under the new law, a patent's validity has been shortened to 10 years and, if a patent is not used within 3 years, the Government can assign it to someone else. The law also specifies a number of classes of inventions for which patents are no longer granted including the following:

1. Alloys, chemical and pharmaceutical products and mixtures, medicines, foods and beverages for human or animal use, fertilizers, pesticides, herbicides, and fungicides.

2. Processes for obtaining alloys and the products and mixtures mentioned under (1) above.

3. Inventions related to nuclear energy and safety.

4. Antipollution apparatus and equipment and the procedures for manufacturing and using them. 1/

Except for the items in group one, these items may be covered by a new type of industrial property established by the law, a certificate of invention. A certificate of invention may be requested for any patentable invention. It has the same rights as a patent except that it does not grant its holder exclusive use. Holders do receive royalties for the use of the invention.

Under this same 1976 law, the period for which a trademark may be registered has been shortened from 10 to 5 years, renewable for additional 5-year periods indefinitely. Trademarks must be used within 3 years, or the registration will be considered to have lapsed. A trademark originating outside Mexico, owned by a foreign person or company controlled by foreign investors, may be used on articles produced in Mexico only if used jointly with a purely Mexican registered trademark. This restriction does not apply to trade names, service marks, and slogans when not used as trademarks; trademarks containing no words (logos); or trademarks used by in-bond processing companies.

Federal Labor Law and the General Population Law.--Under provisions of the Federal Labor Law, at least 90 percent of a firm's skilled and unskilled workers must be Mexican nationals. The law also requires employers to favor Mexicans over foreigners, and unionized personnel over nonunionized employees. The General Population Law defines the different types of visas with which foreigners may enter and live or work in Mexico.

### Taxation in the United States

As in Canada and Mexico, U.S. taxpayers, including resident alien individuals, are taxable on their worldwide income. Double taxation is generally avoided through credits or deductions for foreign tax paid, and through a network of income tax treaties which the United States has with many other countries. Foreign corporations are treated the same as domestic corporations for income tax purposes, except that in the absence of a treaty they are liable for an additional withholding tax. Foreign corporations operating in the United States are allowed a foreign tax credit subject to certain restrictions.

Corporate tax rates.--Tax rates for U.S. corporations range from 17 percent for taxable income up to \$25,000 to 46 percent for taxable income over \$100,000. Net long-term capital gain, the excess of the net gain from all sales or exchanges of capital assets held for more than 1 year over any net loss from sales or exchanges of capital assets held 1 year or less, is generally taxed at a flat rate of 28 percent if such rate is preferable to the regular rate. However, net short-term gain is taxed as ordinary income. Corporations are also liable for State taxes in all but five States. These

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1/ Ibid., p. 32

rates range from 2.35 to 16.7 percent, with an average rate of 6 to 7 percent. Since State income tax is deductible for Federal income tax purposes, the average effective rate is reduced to about 3 percent. The effective rate of the U.S. corporate tax tends to be somewhat higher than, but in line with that of other developed countries. The full corporate tax rate is moderated by a number of credits and deductions, most of which are applicable to foreign investments to the same extent as domestic investments. In any case, tax rates in themselves are not seen as attracting or discouraging foreign direct investment to the United States, at least for those countries with which the United States has an income tax treaty.

Withholding tax.--A foreign corporation is subject to a 30-percent U.S. withholding tax on the gross amount of investment-type income derived from U.S. source dividends, interest, and royalties which it receives from its U.S. subsidiary. This tax is often eliminated or reduced by treaty. The withholding tax does not apply to income which is effectively connected with the trade or business of the foreigner in the United States. This income is taxed at normal rates and is offset by normal deductions. The withholding tax is also not applicable for technical services which a foreign parent furnishes to its U.S. affiliate, as long as the parent does not become engaged in trade or business in the United States through a permanent establishment.

Treaties.--The United States has income tax treaties with the following countries: Antigua; Australia; Austria; Barbados; Belgium; Belize; the British Virgin Islands; Burundi; Canada; Denmark; Dominica; the Falkland Islands; Finland; France; Gambia; West Germany; Greece; Grenada; Hungary; Iceland; Ireland; Italy; Jamaica; Japan; Korea; Luxembourg; Malawi; Montserrat; the Netherlands; the Netherlands Antilles; New Zealand; Norway; Pakistan; Poland; Romania; Rwanda; St. Christopher, Nevis, and Anguilla; St. Lucia; St. Vincent; Seychelles; Sierra Leone; Sweden; Switzerland; Trinidad and Tobago; the Union of South Africa; the U.S.S.R.; the United Kingdom; Zaire; and Zambia. Some of these treaties with former possessions are extensions (sometimes with modifications) of U.S. treaties with the United Kingdom, Belgium, or the Netherlands. Except for these former possessions, however, the United States has concluded income tax treaties with only three developing countries: Korea, Pakistan, and Trinidad and Tobago. It has been difficult for the United States to conclude income tax treaties with developing countries because it has not been prepared to grant major tax incentives, such as tax-sparing credits.

Generally, the treaties provide separate rates or exemptions for the various types of income subject to withholding and often provide a special lower rate for dividends in the case of a corporate direct investor owning a specified minimum percentage of the stock of a U.S. corporation which is not engaged in portfolio investment-type activities.

Investment tax credit.--The United States allows an investment credit under which up to 10 percent of the investment in new equipment can be deducted from the tax liability. Qualified property includes tangible personal property, elevators and escalators, certain storage facilities, and depreciable real property (other than buildings and structural components) used as an integral part of manufacturing, extraction, production, transportation, communications, or furnishing energy or sewage disposal.

Property that has a useful life of less than 3 years does not qualify for the credit. One-third of the cost of property having a useful life of at least 3 years qualifies for the credit, two-thirds of the cost of property having a useful life of at least 5 years, and all of the cost of property having a useful life of at least 7 years. Generally, property used outside the United States does not qualify for the credit, except for certain offshore oil and gas drilling rigs, aircraft and vessels registered under U.S. laws, and certain other properties.

Energy credits.--A variety of credits are available for investments in certain energy-related properties, including the production of fuel from a nonconventional source. These are allowed in addition to the investment tax credit and do not reduce the tax basis of the property for depreciation purposes.

Excise tax credits.--A limited credit is allowed for excise taxes on certain nonhighway uses of gasoline, diesel, and special fuels as well as lubricating oil.

Deductions.--Corporations may deduct ordinary and necessary expenses paid or incurred during the taxable year in the conduct of their business. Capital expenditures are usually deductible only through depreciation, depletion, or amortization over the useful life of the property, and as the basis of property in determining gain or loss.

A corporation may deduct depreciation based on the exhaustion, wear and tear, and obsolescence of property used in its business or held for the production of income. This depreciation allowance permits the recovery of the entire cost of an asset, less reasonable salvage value, over the period of its estimated useful life. Depreciation is allowed for tangible property used in a business, but not for inventory, natural resources (subject to a depletion allowance), or land. Certain intangibles with a fixed asset life, such as patents, copyrights, contracts, and leaseholds, are also deductible.

Depletion allowances are available at rates varying from 22 percent of gross income for uranium to 5 percent for gravel.

Taxes are generally deductible, including the crude oil windfall profit tax, payroll taxes, and State and local income taxes. However, certain Federal income taxes, including the minimum tax on tax preferences, the personal holding company tax, and the accumulated earnings tax, are not deductible.

Royalties are deductible. U.S. corporations can also claim a deduction for royalties, management services, and interest charges paid to foreign affiliates, provided such amounts are equal to what it would pay an unrelated entity.

A corporation may generally deduct all interest paid or accrued during the taxable year, except interest incurred to purchase or carry securities which yield tax-exempt interest.

A net operating loss may generally be carried back 3 years and forward 7 years. 1/ If a net operating loss is attributable to a product liability loss, it may be carried back 10 years. Deductions for net operating loss may be restricted if a corporation changes ownership or if the corporation which sustained the loss is later acquired by another corporation and included in its consolidated tax return.

Domestic International Sales Corporation (DISC).--The DISC is a U.S. nonmanufacturing corporation which is engaged in the business of exporting products manufactured, produced, grown, or extracted in the United States. The Revenue Act of 1971 permits U.S. manufacturers special tax treatment on that part of their export-related profits which are attributed to DISC's. The earnings and profits of a DISC are not taxed to the DISC but instead are taxed as dividends to its shareholders whether or not actually distributed. The remainder of the DISC's earnings may be retained for an indefinite period by the DISC during which time taxation on these earnings is deferred. The Tax Reform Act of 1976 reduced the maximum amount of tax deferred income from 50 percent of export-related net income to 30 percent. In 1972-78, the cumulative total of taxes deferred through DISC's was \$13.5 billion, and in 1978, 73 percent of total U.S. exports were channeled through DISC's.

#### Investment incentives

The U.S. Government has an open attitude toward foreign investment, both direct and portfolio. Its general policy is to admit and treat foreign capital equally with domestic capital. While the Government offers no specific incentives to attract foreign investment, a foreign enterprise which establishes or acquires a business in the United States is entitled to the same tax and other incentives available to domestic companies. These incentives include the investment tax credit already discussed, and State industrial development bonds which permit investors to raise capital at low interest rates. Some States and municipalities also offer property tax holidays or have special industrial development organizations to help out-of-State investors locate in their territory.

#### Investment restrictions

Restrictions on ownership.--In general, there are no government-imposed restrictions on foreign ownership of U.S. corporations, either public or private, and no restrictions on the acquisition of existing corporations owned by U.S. shareholders. What restrictions do exist are aimed at preventing foreign ownership of a few sensitive industries such as defense, communications (especially telephone, telegraph, radio, and television), air transport, coastal shipping, mining on Federal lands, and atomic energy. However, a number of States prohibit foreign individuals and corporations from directly acquiring real estate. Also, most States prohibit foreign directorship and operation of insurance companies.

Exchange controls.--The United States imposes no exchange controls or legal restrictions or limitations on the flow of funds into or out of the United States. A foreign investor or importer can both bring foreign funds<sup>71</sup> into the United States and borrow additional funds in the United States.

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1/ A net operating loss is the excess of deductions over gross income in a particular year.

Further, he may repatriate share capital, loans, income, and profits to his home country. He may also repatriate dividends, interest, royalties, and service fees, subject to liability for the 30-percent withholding tax or lower treaty tax where applicable.

Patents.--The U.S. Patent Office grants patents which give holders the exclusive right to prevent others from making, using, or selling the patented articles for a period of 17 years. Four types of patents are issued, depending on whether the invention relates to processes, chemical compositions, mechanical devices, or designs. Anyone, including nonresident foreign nationals, may apply for a patent in any of these four categories.

### Central America and the Caribbean nations

Corporate tax rates.--Corporate tax rates vary enormously from country to country. In some countries, all corporations are taxed at a single rate; in other countries, the tax rates vary according to the income of the corporation (the higher the income, the higher the tax rate). The following tabulation shows the tax rates or ranges of tax rates for certain countries of Central America and the Caribbean (in percent):

<u>Country</u>	<u>Tax rate</u>
Bahamas-----	0
Barbados-----	45
Bermuda-----	0
Costa Rica-----	5-45
Dominican Republic-----	<u>1/</u> 10-38
El Salvador-----	2.5-30
Guatemala-----	<u>2/</u> 30.75-48
Honduras-----	3-40
Jamaica-----	<u>3/</u> 40-50
Netherlands Antilles-----	27-34
Nicaragua-----	<u>4/</u> 6-50
Panama-----	20-50
Trinidad and Tobago-----	45

1/ Plus surtax of 3 percent of regular income tax and 2 percent on taxable income. The 2 percent is not subject to 3 percent surtax.

2/ There is a 10 percent surcharge on the resulting income tax payable and an additional 10 percent surcharge which is applicable to the sum of the base tax plus the first surcharge when taxable income exceeds \$10,000.

3/ 40 percent if an agricultural company; for nonagricultural companies: 45 percent for companies widely held and quoted on the stock exchange; 47.5 percent for intermediate nonquoted companies; and 50 percent for closely held companies.

4/ The Nicaraguan Income Tax Law specifies that the total payable may not exceed 40 percent of taxable income.

In most countries, taxable income is reduced through deductions for depreciation and depletion, deductions for net operating losses, 1/ and

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1/ None of the countries allow losses to be carried back. All, except Honduras and Panama, allow losses to be carried forward. Legislation is pending in Panama to permit a 3-year loss carry forward for qualifying export companies.

limited deductions for payments to foreign affiliates (usually for some combination of royalties, dividends, management services, and interest charges paid to foreign affiliates). Most of the countries also have tax incentives for inward investment and capital investment. More detailed information relating to the calculation of corporate tax rates in Central American and Caribbean countries is available in Price-Waterhouse information guides.

Investment incentives in selected countries.--In general, the countries of the Caribbean and Central America openly welcome direct foreign investment as they seek to develop their economies. Like other developing countries, the Caribbean and Central American countries seek in varying ways to control the nature of foreign investment to ensure that, for each country, the investments fit its particular development plans. The island states in the Caribbean Basin suffer from all the major difficulties and constraints associated with small size. These include the undiversified nature of their economies due to their extreme dependence on very few commodities (bananas, citrus, spices, coconuts, tourism) for their foreign exchange earnings, the high import content of all goods and services which must be used for productive purposes, and the lack of capital formation to undertake major public and private investment programs. They also lack adequate internal or regional markets to absorb domestic production and suffer from an absence of control over the terms of trade and prices they receive for their exports. Coupled with these economic constraints are the socio-economic problems of lack of adequate infrastructure, a very small reservoir of skilled manpower to undertake and manage projects of economic transformation, a high and growing rate of unemployment (15-35 percent in the eastern Caribbean), and high material expectations. <sup>1/</sup> Countries of Central America face some of the same constraints, but have the advantage of abundant natural resources.

Foreign investment in the Bahamas is encouraged by the Government. Both foreign and local investors in the Bahamas benefit from the country's tax haven status. There are no corporate, capital gains, profits, or personal income taxes. The Industries and Hotel Encouragement Acts grant relief from import duties for plant machinery, tools, equipment, raw materials, and in the case of hotels, the material and furnishings imported for starting a hotel. At the end of 1977, the largest investors in the Bahamas were the United States, \$1.4 billion; the United Kingdom, \$145 million, and Canada, \$130 million.

Barbados provides to manufacturers of an "approved product" exemption from taxes for varying periods up to a maximum of 10 years. Through the Hotel Aids Act, the builders of a qualifying hotel may offset against profits certain expenditure on construction or the provision of certain amenities. Also, for corporations that derive profits from the construction and sale of two or more brick houses in an income year, the rate of corporation tax is reduced from 45 to 20 percent.

Costa Rica offers a favorable investment climate, with constitutional guarantees of equal treatment enforced by an independent judiciary for both foreign and local investors. The government encourages foreign investment in

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<sup>1/</sup> Statement of Honorable M. Eugenia Charles, Prime Minister of the Commonwealth of Dominica, on the subject: "Investment needs and priorities in the Caribbean," Monday, Nov. 24, 1980. 73

projects considered beneficial to the country, especially agro-business related investments. Incentives offered vary depending on such factors as the use of local resources, employment created, export potential, and whether a similar industry already exists in Costa Rica or within CACM. The country also offers a highly educated and readily trainable labor force and a large hydroelectric potential. No restrictions exist on profit remittances; foreign exchange is sold on the free market.

Dominica seeks investments in the following sectors: multi-purpose agro-processing, office and household furniture manufacture utilizing indigenous woods, further processing of essential oils into perfumery and cosmetics, plywood and veneer manufacturing, handicraft, tourism, and enclave industries.

The Dominican Republic offers exemption from income, export, and patent taxes, customs duties, and related excise taxes for specific periods under the Industrial Incentive and Protection Act. Under the Promotion and Incentives of Tourist Development Law, exemptions are granted on income taxes, construction taxes, taxes levied on the formation of a company, and exoneration from import duties on materials which are not manufactured in the country.

The Government of El Salvador may grant exemption from duties and taxes to industries classified as necessary or useful. Such industries can be exempted from payment of import duties on materials and equipment for increased production facilities. Also, export industries may obtain full tax exemption and unrestricted remission of profits (usually restricted to 10 percent of foreign capital investment). These exemptions are usually granted for periods of 10 years.

The Government of Guatemala may grant exemption from duties and taxes if the enterprise is classified as either basic, necessary, or useful.

Haiti offers the following incentives to foreign investors: an attractive wage scale; a tradition of respect for private property and foreign ownership; a freely convertible currency with unchanged parity to the U.S. dollar since 1919; no restrictions on repatriation of profits, dividends, or capital; 100-percent foreign ownership permitted; corporate tax exemptions from 5 to 15 years; no import tax and no export duties; and financial assistance to encourage private investment.

The Government of Honduras maintains an open door to foreign investment. Four of the five largest corporations in Honduras are U.S.-owned. Foreign capital is given the same treatment and protection as domestic capital. There are no restrictions on repatriation of profits, dividends, interest, or capital. However, firms in the distribution and lumber industries must have 51 percent Honduran ownership. The Government may also grant exemption from import duties and taxes if the concern is classified as basic, necessary, or desirable, whether new or already established. Additionally, the recently established Free Zone offers basic facilities to export-oriented manufacturers at local wage rates.



Although the former Manley Government of Jamaica often declared its intent to attract foreign investors, investor confidence has been low since 1974 when the Government unilaterally imposed a stiff levy on the bauxite/alumina industry, causing foreign investors to look elsewhere. The new Government, which came to power in mid-1980 under Edward Seaga, is expected to be more active in seeking private foreign investment and financial assistance from traditional Western donors, but as yet has not formulated an economic strategy and guidelines for foreign business. Tight exchange controls are still in effect. Therefore, although the Government allows for repatriation of profits and dividends, capital, royalties, and fees, potential investors are being advised to obtain written agreements.

The Netherlands Antilles offers tax incentives or holidays for the establishment of new economic enterprises and hotels with a predetermined minimum employment and capital investment. There are special provisions relating to the taxation of insurance companies.

The Government of Nicaragua may grant exemption from duties, income, and certain other taxes if the company is classified by government authorities as either basic, necessary, or useful. At the present time, however, the investment climate is still uncertain as investors wait to see what policies the new Government of National Reconstruction will formulate in the wake of the Sandinista Revolution.

The Government of Panama offers incentives designed to encourage the development and expansion of local industries. These incentives include, for qualifying companies, the exemption from import duties on many items necessary for local production and increased duties or quotas for competing products. In addition, companies producing entirely for local consumption are entitled to (1) an exemption from income tax on the net earnings reinvested in fixed assets to expand production or to produce new products, provided that the amount reinvested exceeds 20 percent of net taxable income of the fiscal year in which the expansion is made; and (2) a 3-year carryforward of losses. Industrial organizations exporting their entire production may be granted, for a period of up to 15 years, exemptions from import duties on machinery, equipment, spare parts, raw materials, containers, packing materials, fuels, and lubricants; and exemption from export duties and from income taxes on profits derived from export of locally manufactured products. In order to promote industrial development and to stimulate exports, the Government of Panama offers a range of additional services such as financial assistance to promote exports; cooperation in the financing of feasibility studies; promotion of industrial parks; and the strengthening of educational programs to satisfy the industrial needs of the country. The Government also grants a series of fiscal incentives for the benefit of companies engaged in activities related to tourism. The Colon Free Trade Zone, established on June 17, 1948, is the largest operation of its kind in the Western Hemisphere. Over 600 foreign firms are represented. Any person or corporate body may operate in the Colon Free Zone with no need for a business license or compliance with any minimum capital investment requirements. However, all those wishing to operate in the Colon Free Zone must guarantee the employment of at least 10 Panamanian workers.

In its industrial development program, the Government of Trinidad and Tobago envisages a major role for foreign private investors, normally as minority partners with local investors. For major projects in which the government itself is the majority partner, this split is normally 51 to 49 percent. For smaller private projects, the government expects that local investors will constitute 60 percent of the ownership. New foreign investment will be actively encouraged when the foreign investor can provide (1) access to international markets for the plants' output; (2) meaningful transfer of technology through training of nationals, transfer of managerial control to nationals, and a research and development capability within Trinidad and Tobago; (3) scope for growth of employment opportunities; and (4) compatability with the country's industrial structure and development objectives. The Government of Trinidad and Tobago offers to an approved enterprise, which must be a locally incorporated corporation, an exemption from corporation tax for periods of up to 10 years. Depending on the category under which it is approved, such exemption may be total or partial. In addition, approved hotels are granted a tax holiday for a period of 5 to 10 years. Capital investment in hotels may be written off against profits in any 5 of the 8 years subsequent to the tax holiday period.

## Key Industrial Sectors of North America

This section compares key industries in North America and includes descriptions of each industry in the United States, Canada, and Mexico, as well as a discussion of the extent to which the industry is integrated throughout North America. 1/ Sectors discussed include agriculture and agricultural products; forest products; textiles and apparel; petroleum; chemicals; electrical and electronic equipment; passenger automobiles, trucks, and buses; iron and steel; and nonferrous metals.

### Agriculture and Agricultural Products Sector

#### Sector coverage

This sector includes SIC groups 01 and 02 (Agricultural production--crops and livestock), group 09 (Fishing, hunting, and trapping), group 20 (Food and kindred products), and group 21 (Tobacco manufactures).

#### Sector description by country

United States.--The United States is a large, efficient producer of a wide range of agricultural products. The country has an abundance of fertile soil and a climate (temperature and rainfall) that is well suited for agricultural production. U.S. producers of agricultural products are capital intensive. There is a significant long-run trend towards fewer production units of larger size. This is coupled with a trend in reduction of family employment and an increased usage of hired labor. The United States is self sufficient in most agricultural products, except for those of tropical origin.

U.S. agricultural production is highly advanced in the application of high technology in such areas as mechanization, agricultural chemicals, hybridization, irrigation, and transportation. U.S. agricultural marketing is also highly advanced. However, U.S. technology, particularly in mechanization, agricultural chemicals, irrigation, and transportation is based on a level of energy abundance which will not continue in the future.

U.S. production of agricultural products has been trending upward for many years, with producers' shipments rising from \$189 billion in 1976 to \$274 billion in 1979 (table III-29). Imports, principally of tropical products such as coffee and sugar as well as of meat and fish, amounted to \$17 billion in 1979, 2/ equivalent to 7 percent of U.S. consumption of agricultural products.

The United States is the world's principal exporter of such crops as soybeans, wheat, corn, and rice. U.S. agricultural exports have been rising rapidly in recent years, increasing from \$23 billion in 1976 to \$35 billion in 1979, or to about 14 percent of producer's shipments. 3/

The U.S. Government supports the price of a group of basic commodities through a government corporation (the Commodity Credit Corporation) acquiring certain commodities. In recent years, however, U.S. policy in the

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1/ Some discussion of the industry in Central America and the Caribbean is also included.

2/ Valued at f.o.b. country of origin.

3/ Valued at f.a.s. U.S. port of export.

Table III-29.--Agricultural products: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Production-----millions of dollars--:	189,719	201,476	222,862	247,001
Imports-----do-----:	11,179	13,538	14,962	16,881
Exports-----do-----:	22,998	23,671	29,384	34,745
Apparent consumption-----do-----:	177,900	191,343	208,440	229,137
Ratio, imports to consumption-----percent--:	6	7	7	7
Ratio, exports to production-----percent--:	12	12	13	14
Total employment-----1,000 workers--:	3,297	3,244	3,342	3,297
Canada:				
Production <u>1</u> /-----millions of dollars--:	8,456	8,420	10,128	<u>2</u> /
Imports-----do-----:	3,296	3,504	3,706	<u>2</u> /
Exports-----do-----:	4,319	4,307	4,659	<u>2</u> /
Apparent consumption-----do-----:	7,433	7,617	9,175	<u>2</u> /
Ratio, imports to consumption-----percent--:	44	46	40	<u>2</u> /
Ratio, exports to production-----percent--:	51	51	46	<u>2</u> /
Total employment-----1,000 workers--:	596	578	558	<u>2</u> /
Mexico:				
Production-----millions of dollars--:	<u>2</u> /	<u>2</u> /	<u>2</u> /	<u>2</u> /
Imports-----do-----:	563	828	1,122	<u>2</u> /
Exports-----do-----:	1,334	1,418	1,504	<u>2</u> /
Apparent consumption-----do-----:	<u>2</u> /	<u>2</u> /	<u>2</u> /	<u>2</u> /
Ratio, imports to consumption-----percent--:	<u>2</u> /	<u>2</u> /	<u>2</u> /	<u>2</u> /
Ratio, exports to production-----percent--:	<u>2</u> /	<u>2</u> /	<u>2</u> /	<u>2</u> /
Total employment-----1,000 workers--:	6,983	7,057	7,129	<u>2</u> /

1/ Based on gross value of production of agricultural products excluding fish products.  
 Converted to current U.S. dollars, rate, .83.

2/ Not available.

Source: U.S. statistics compiled from Survey of Current Business. Canadian and Mexican statistics from the Food and Agriculture Organization's Production and Trade Yearbooks, also from sources in the Agriculture Division, Statistics Canada.

agricultural sector has tended toward greater utilization of market forces and less Government support for U.S. agriculture through public works, such as irrigation projects, and support for transportation systems. All import and export trade is in the hands of private traders.

Canada.--Canada has a large land area and a cool climate with a shorter growing season relative to that of the United States. The organization of agricultural production is similar to that of the United States, except that land resources in Canada are less intensively utilized. It produces large amounts of wheat and barley, much of which is exported. Canadian agricultural production increased from \$8.5 billion in 1976 to \$10.1 billion in 1978. Even though Canada must import many agricultural products which it cannot produce because of its climate, it is a substantial net exporter of agricultural commodities and is the world's second leading exporter of wheat (behind the United States). U.S. and Canadian interests in agricultural trade generally are complementary with the important exception of wheat, for which the United States and Canada compete for world markets.

Canadian farmers basically receive the world price for their wheat, rye, oats, and barley. All Canadian international trade in grains is through a government agency, the Canadian Wheat Board.

Mexico.--Mexico is a developing country with a rapidly growing population, a changing diet pattern, and a Constitution which restricts land ownership to relatively small parcels. <sup>1/</sup> This land ownership restriction is a factor which seriously impedes the efficient modernization of Mexico's agriculture. Mexico also faces many changes in its society owing to its rapidly developing petroleum industry.

Mexican production of export crops often involves large production units with significant utilization of low-cost labor, thus attempting to compensate for the lack of capital. However, much of Mexican production of staple crops for domestic consumption comes from small family production units which are land and labor intensive in production. Mexico has large land resources which are not available for agricultural production because of the limited availability of water. Greater capital resources may become available to the agricultural sector as Mexico develops its abundant supplies of energy.

Until recently Mexico had been self sufficient in the production of corn and dry edible beans, traditional staples in the Mexican diet. Although production of these crops has trended upward, such production has not kept pace with the growth of population, which doubled between 1960 and 1980. In addition, Mexico is currently consuming more animal protein (on a per capita basis) than traditionally has been the case. Cattle and meat, formerly important export commodities, are now being consumed domestically to a greater extent. Another factor affecting the Mexican's traditional diet of corn and beans is the increased production of hogs and poultry, which require more feed grains, much of which are now being imported.

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<sup>1/</sup> Under Mexican law, corporate land ownership is prohibited and private ownership is restricted to 100 irrigated hectares (1 hectare = 2.47 acres) or 200 nonirrigated hectares.

Mexican exports of agricultural commodities, principally coffee and winter vegetables, go primarily to the United States. In 1979, Mexico exported about \$1.2 billion of such products to the United States. In turn, Mexico imports substantial quantities of soybeans and feed grains from the United States. The two countries have signed an agreement for 1981 for the United States to sell to Mexico and for Mexico to purchase from the United States a minimum of 6 million and a maximum of 8 million metric tons of soybeans and feed grains, worth about \$2 billion.

The Mexican Government has established the Mexican Food System, or Sistema Alimentario Mexicano (SAM). SAM provides minimum guaranteed prices to agricultural producers and subsidies to consumers. It will attempt to control the direction of Mexican agriculture and aims to have Mexico self-sufficient in the production of corn and dry edible beans and to maintain production of export crops at a high level. The success of the SAM will depend in part on the extent of the modernization of Mexico's agriculture which also will determine in large measure whether Mexico continues to import feed grains and export vegetables.

#### Other North American countries

Agriculture in Central America and the Caribbean countries varies widely from very primitive subsistence farming to highly sophisticated production and marketing of export products. The area is a net importer of wheat, corn, rice, and beans. It is a substantial exporter of coffee, bananas, and sugar. A large part of the import and export trade of the area is with the United States.

#### Comparison of sectors within each North American country

Agricultural production in the United States and Canada are mostly comparable in terms of technology, production costs, market access, and price. North American integration would lead to greater worldwide dominance of North America in grain and oilseed production and exports, owing to coordination of production and trade policies and more intensive use of resources.

Agricultural production in Mexico is not comparable with that for the rest of North America in technology and organization. The official Mexican policy of agrarian reform, which breaks down large production units into small units, makes the production of staple food products in Mexico considerably less efficient than that for the remainder of North America. Mexico has a considerable comparative advantage in the production of tropical products and in the production of fruits and vegetables which are off-season in the United States. In the event of integration, however, it would be difficult for Mexico to utilize this comparative advantage without also reversing its agrarian reform policies. Canada and the United States would be in a position to easily supply Mexican demand for staple food products, and there would be considerable interest in increasing Mexican production of tropical products for which Canada and the United States are import dependent.

Mexico has large supplies of unskilled agricultural labor. Despite agrarian reform to encourage land ownership among this labor pool, the pool is still growing. There is currently a demand for such labor forces in the United States, and as energy abundance declines in the United States, the demand for such labor could grow.

Central America and the Caribbean countries have a comparative advantage in the production of coffee and certain tropical products. For most of these products, these countries compete with Mexico for export markets; the United States and Canada are import dependent for these products.

#### Sector integration in terms of ownership

There is little integration of economic units in North American agricultural production. The principal exception is a heavy integration in production and ownership of companies marketing processed foods between Canada and the United States. Canadian and Mexican controls on foreign investment tend to discourage substantial integration in the production of raw agricultural products. However, despite such official discouragement, there is often significant involvement by U.S. nationals in the production of crops in Mexico for export to the United States. Because of the size and proximity of the U.S. market, it tends to absorb almost all of many of Mexico's agricultural exports. However, there are very few products for which Mexican exports are large enough to supply all of U.S. demand. Except for tropical products and certain winter fruits and vegetables, Canada and the United States are mostly self-sufficient in supplying demand for food products. Mexico supplies the bulk of its own demand for agricultural products, but is utilizing to an increasing degree some imports in grains, oilseeds, and certain food stuffs.

### Forest Products Sector

#### Sector coverage

The forest products sector includes SIC category 24, which covers wood and wood products, and category 26, which covers pulp and paper products.

#### Sector description by country

United States.--Of the 2.3 billion acres of land area in the United States, 22 percent is commercial timberlands. Total timber volume in the United States is about 700 billion cubic feet, of which 450 billion are softwood and the remainder hardwood.

The West and South account for 65 percent of U.S. commercial forest land with the bulk of U.S. producers located in or near these areas.

In the U.S. pulp and paper industry there are about 340 pulp mills and 660 paper mills, with a large proportion located in the South. Ten States account for more than 50 percent of such U.S. production with three States (Georgia, Alabama, and Louisiana) producing about 20 percent. During 1976-79, employment in the pulp and paper industry trended upward somewhat and averaged almost 700,000 workers annually (table III-30).

There are between 20,000 and 30,000 establishments in the United States producing wood products such as lumber, plywood, or miscellaneous items of various kinds. In part because of lower capital requirements, there are many more establishments producing wood products than pulp and paper products. About 90 percent of the value of such wood products, however, are produced by about 10 percent of the establishments. Producers are located primarily in the West and South with emphasis shifting to the South. Employment rose during 1976-79 and averaged about 690,000 annually (table III-31).

Table III-30.--Pulp and paper: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Production-----millions of dollars--:	35,864 :	38,446 :	41,182 :	46,414
Imports-----do-----:	3,204 :	3,449 :	3,908 :	4,628
Exports-----do-----:	2,101 :	2,002 :	1,911 :	2,427
Apparent consumption-----do-----:	36,967 :	39,893 :	43,179 :	48,615
Ratio, imports to consumption-----percent--:	9 :	9 :	9 :	10
Ratio, exports to shipments-----do-----:	6 :	5 :	5 :	5
Total employment-----1,000 workers--:	676 :	699 :	699 :	707
Canada:				
Production-----millions of dollars--:	8,364 :	8,828 :	10,075 :	11,555
Imports-----do-----:	281 :	245 :	243 :	286
Exports-----do-----:	4,442 :	4,660 :	4,991 :	6,247
Apparent consumption-----do-----:	4,203 :	4,413 :	5,327 :	5,594
Ratio, imports to consumption-----percent--:	7 :	6 :	5 :	5
Ratio, exports to shipments-----do-----:	53 :	53 :	50 :	54
Total employment-----1,000 workers--:	<u>2/</u> 158 :	<u>2/</u> 161 :	<u>2/</u> 171 :	<u>2/</u> 176
Mexico:				
Production-----millions of dollars--:	500 :	558 :	610 :	<u>2/</u> 850
Imports-----do-----:	228 :	319 :	207 :	<u>2/</u> 248
Exports-----do-----:	1 :	1 :	1 :	<u>2/</u> 1
Apparent consumption-----do-----:	727 :	876 :	816 :	1,097
Ratio, imports to consumption-----percent--:	31 :	36 :	25 :	23
Ratio, exports to shipments-----do-----:	<u>3/</u> :	<u>3/</u> :	<u>3/</u> :	<u>3/</u>
Total employment-----1,000 workers--:	<u>4/</u> :	<u>4/</u> :	<u>4/</u> :	<u>4/</u>

1/ Production values are based on quantity figures.

2/ Estimate.

3/ Less than 0.5 percent.

4/ Not available.

Source: Based on official statistics of the U.S. Department of Commerce, and the Food and Agriculture Organization of the United Nations, except as noted.



Table III-31.--Wood products: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Production <u>1</u> /-----millions of dollars--:	32,808	38,806	44,701	48,305
Imports-----do--:	1,839	2,562	3,672	4,014
Exports-----do--:	1,913	1,878	2,058	3,025
Apparent consumption-----do--:	32,734	39,490	46,315	49,294
Ratio, imports to consumption-----percent--:	6	7	8	8
Ratio, exports to shipments-----do--:	6	5	5	6
Total employment-----1,000 workers--:	606	642	755	766
Canada:				
Production <u>1</u> /-----millions of dollars--:	11,552	14,882	18,340	19,491
Imports-----do--:	352	318	343	451
Exports-----do--:	1,800	2,487	3,160	3,795
Apparent consumption-----do--:	10,104	12,713	15,523	16,147
Ratio, imports to consumption-----percent--:	4	3	2	3
Ratio, exports to shipments-----do--:	16	17	17	20
Total employment-----1,000 workers--:	<u>2</u> / 214	<u>2</u> / 246	<u>2</u> / 310	<u>2</u> / 310
Mexico:				
Production <u>1</u> /-----millions of dollars--:	1,073	1,292	1,563	1,705
Imports-----do--:	31	13	13	<u>3</u> /
Exports-----do--:	2	3	3	<u>3</u> /
Apparent consumption-----do--:	1,102	1,302	1,573	<u>3</u> /
Ratio, imports to consumption-----percent--:	3	1	1	<u>3</u> /
Ratio, exports to shipments-----do--:	<u>4</u> /	<u>4</u> /	<u>4</u> /	<u>3</u> /
Total employment-----1,000 workers--:	<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /

1/ Based on quantity figures.

2/ Estimate.

3/ Not available.

4/ Less than 0.5 percent

Source: Based on official statistics of the U.S. Department of Commerce, and the Food and Agriculture Organization of the United Nations, except as noted.

Consumption of forest products is estimated to have been about \$98 billion in 1979 (table III-32). Wood products and pulp and paper products each accounted for about 49 billion dollars' worth of such consumption for that year. U.S. production of forest products was about \$95 billion in 1979, of which \$48 billion were wood products and \$46 billion were pulp and paper. In 1979 imports of forest products were valued at \$8.6 billion, <sup>1/</sup> and exports at \$5.5 billion. <sup>2/</sup> Most of the difference between imports and exports lies with pulp and paper products of which \$4.6 billion were imported in that year, compared to exports of \$2.4 billion.

A major factor influencing the U.S. forest products industry is the variable and cyclical pattern of demand by the housing industry for many wood products. The uncertain nature of this pattern tends to limit expansion of the U.S. industries producing such articles (particularly lumber and plywood).

Currently, the pulp and paper industry is expanding, particularly in newsprint capacity. Capital needs required for expansion by the U.S. pulp and paper industry characteristically are heavy, amounting to more than \$5 billion in 1980. Capital needs in the U.S. wood products industry, on the other hand, are considerably lower, less than half the amount required by the pulp and paper industry. The capital required to construct a modern pulp or paper mill generally is much higher than that for a lumber or plywood mill of comparable size. High energy consumption and rising energy costs have not constricted the forest products industry nearly as much as such costs have in many other U.S. industries. Many forest product mills are producing much of their energy needs by utilizing the wastes generated by their production processes. Some mill complexes are not only largely energy self sufficient, but are able to sell excess power from time to time to local utility companies.

Much of the timber sold in the United States originates from the 100 million acres under management by the U.S. Forest Service. Of the approximately 90 billion board feet usually procured from all sources, about 10 to 12 billion (nearly all of which is softwood) is procured from national forests. With the expected increase in future demand for wood and pulp and paper products, higher yields will be needed from privately owned woodlots since the harvest from national forests is limited to between 10 and 12 billion board feet per year. It is expected that Federal and State incentive plans may be needed to help private woodlot owners meet this demand.

Other factors affecting the forest products climate are intensive competition among the various producers of forest products for timberlands, the increased pressure on forest lands to supply fuel to help alleviate the energy crisis, and the U.S. restriction which prohibits the export of logs from national forests west of the 100th meridian.

The overall health of the U.S. forest products industry relative to other U.S. industries is good. The U.S. industry is also competitive worldwide and is the world's leading producer and exporter of a number of forest products.

Canada.—Canada has 588 million acres of commercial timberland, 18 percent more than the United States, with more than 600 billion cubic feet of timber on inventoried lands. An additional volume of timber exists in Canada on remote uninventoried lands.

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<sup>1/</sup> Valued at f.o.b. country of origin.

<sup>2/</sup> Valued at f.a.s. U.S. port of export.

Table III-32.--Forest products: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Production 1/-----millions of dollars--:	68,672 :	77,252 :	85,883 :	94,719
Imports-----do-----:	5,043 :	6,011 :	7,580 :	8,642
Exports-----do-----:	4,014 :	3,880 :	3,969 :	5,452
Apparent consumption-----do-----:	69,704 :	79,383 :	89,494 :	97,909
Ratio, imports to consumption-----percent--:	7 :	8 :	9 :	9
Ratio, exports to shipments-----do-----:	6 :	5 :	5 :	6
Total employment-----1,000 workers--:	1,282 :	1,341 :	1,454 :	1,473
Canada:				
Production 1/-----millions of dollars--:	19,916 :	23,710 :	28,415 :	31,046
Imports-----do-----:	633 :	563 :	586 :	736
Exports-----do-----:	6,242 :	7,147 :	8,151 :	10,042
Apparent consumption-----do-----:	14,307 :	17,126 :	20,850 :	21,740
Ratio, imports to consumption-----percent--:	4 :	3 :	3 :	3
Ratio, exports to shipments-----do-----:	32 :	30 :	29 :	32
Total employment-----1,000 workers--:	2/ 372 :	2/ 407 :	2/ 481 :	2/ 486
Mexico:				
Production 1/-----millions of dollars--:	1,573 :	1,850 :	2,173 :	2,555
Imports-----do-----:	259 :	332 :	220 :	3/
Exports-----do-----:	3 :	4 :	4 :	3/
Apparent consumption-----do-----:	1,829 :	2,178 :	2,389 :	3/
Ratio, imports to consumption-----percent--:	14 :	15 :	9 :	3/
Ratio, exports to shipments-----do-----:	4/ :	4/ :	4/ :	3/
Total employment-----1,000 workers--:	3/ :	3/ :	3/ :	3/

1/ Based on quantity figures.

2/ Estimate.

3/ Not available.

4/ Less than 0.5 percent.

Source: Based on official statistics of the U.S. Department of Commerce, and the Food and Agriculture Organization of the United Nations, except as noted.

The provinces of Quebec, Ontario, and British Columbia are the leading forest products producers with Quebec leading in pulp and paper products. In regard to pulp and paper, Canada has 120 pulp mills and 114 paper mills with Quebec and Ontario accounting for more than half of these totals. Employment in the Canadian pulp and paper industry has been rising and is now estimated at about 175,000.

British Columbia is by far the most important manufacturer of wood products, accounting for nearly half of the Canadian output of such products. In 1979, the total number of producers of wood products of all kinds in Canada was estimated to have been about 10,000, with about 310,000 employees.

Canadian forest products consumption is estimated to have totaled \$22 billion in 1979. In dollar terms, almost three times more wood products than pulp and paper products are consumed in Canada.

Canadian imports of forest products averaged \$630 million during 1976-79, and were \$736 million in 1979. Imports account for only 3 percent of Canadian consumption of forest products. Canadian exports were more than \$10 billion in 1979, equaling 32 percent of production.

As prices of timber and timber products climb relative to competing products, more Canadian timberlands will become economically accessible, thus contributing to the expansion of the industry. New technology will also enable the industry to better utilize small logs, thus increasing its fiber base.

Many of the Canadian factors of production are similar to those in the United States, but on a smaller scale. Capital expenditures in the Canadian pulp and paper industry were about \$1.5 billion in 1980 with capital needs in the wood products industry being met with less than \$500 million.

A number of U.S. and Canadian forest product firms have ownership in common, particularly the large fully integrated companies.

The Canadian forest products industry, which looms very large in the economy of Canada, enjoys both large forest reserves and low stumpage prices from public lands. <sup>1/</sup> The health of the industry is excellent in relation to other industrial sections of the Canadian economy. Canada is the world's leading exporter of forest products as well, substantially exceeding the level of U.S. exports, and should maintain this position well into the future.

Mexico.—Mexico has about 109 million acres of forest lands, of which about 37 million acres are pine timber, 27 million of tropical jungle, and the remainder temperate hardwoods and chaparral vegetation.

Mexico has approximately 1,000 establishments manufacturing wood products, most of which are sawmills. There are 53 paper mills and 24 pulp mills.

Consumption of forest products is estimated at \$2.4 billion for 1978, of which \$1.6 billion was wood products and the remainder, pulp and paper products.

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<sup>1/</sup> Stumpage prices are the prices paid for standing timber.

Mexico imported 220 million dollars' worth of forest products in 1978, nearly 10 percent of its total consumption. Pulp and paper products accounted for \$207 million, or 94 percent of total forest products imports. Mexican exports of forest products are minor, accounting for less than 1 percent of production in 1978.

The forest products industry in Mexico has not developed to the potential that could be expected from the nature and extent of its forest lands. This is due in part to the ownership patterns of the land which prevent companies from utilizing much of the resource. <sup>1/</sup> In addition, there is a lack of trained professional foresters, pulp and paper and wood products technologists, as well as a shortage of capital. As a result, production is well below optimum levels.

A United Nations study reports that Mexico has the potential to rank sixth in world forest products output. The Government of Mexico is aware of the under-utilized resources and is taking a number of steps to improve the situation through a variety of industry incentives.

#### Comparison of sectors within each North American country

The United States is clearly the leading producer of forest products among the three major North American countries, accounting for 74 percent, by value, of such production in 1979, Canada for 24 percent, and Mexico the remaining 2 percent. Mexico is particularly deficient in the production of pulp and paper, accounting for only 2 percent of the value of its total production of all forest products in 1979.

Transporting forest products is not a major barrier to trade within North America. In relation to other bulk commodities, forest products generally have a fairly high value making long-distance transportation feasible.

Labor and energy unit costs vary somewhat among the North American countries; the United States having the highest unit costs, with Canada and Mexico enjoying somewhat lower costs. The United States in part counters these higher costs with an extensive base of forests with shorter growing cycles than Canada's, and with a technological level above that of Mexico and comparable to that of Canada.

#### Extent of North American integration in the sector

The forest products industry in North America is dominated by a few large multiproducts companies, many of which have interests in both Canada and the United States. Such companies generally are both vertically and horizontally integrated, many having interests in more than one country. The largest companies are completely integrated, with facilities for the harvest of raw materials through the production of the final product, be it a wood or pulp and paper product, or both. In addition, there are many smaller business establishments which primarily produce wood products in each of these three countries.

There is considerable trade in forest products between Canada and the United States, of which most flows duty free from Canada to the United

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<sup>1/</sup> In 1976, 40 percent of forestry acreage in Mexico was located within ejido areas, 30 percent within similar communal areas, 10 percent within state forests, and 20 percent within private holdings. The ejido is an institution, which was created by the Mexican Revolution of 1910, guaranteeing the use of the land to the peasant working it directly and giving him ownership of the product but not of the land itself.

States. Trade with Mexico is slim when compared with that between Canada and the United States. Again, land ownership patterns have hindered the development of a modern forest products industry. This factor has limited the expansion of U.S.-based companies into Mexico; there are a few, however, which have ventured into Mexico in an attempt to develop the under utilized resources.

The United States and Canadian exports of forest products are quite large. Although Canada's major market is the United States, large amounts of forest products are exported by both countries to Japan and Europe. Mexico exports only a small amount of such products compared with that of the United States or Canada and is not a factor in world trade.

## Textiles and Apparel

### Sector coverage

This sector analysis covers textile mill products classified in SIC category 22 and apparel in SIC category 23.

### Sector description by country

United States.--U.S. consumption of textiles and apparel increased annually from \$73.5 billion in 1976 to \$97.6 billion in 1979 (table III-33). The value of U.S. imports rose from \$4.9 billion to \$7.2 billion in the same period at an average annual growth rate of 14 percent. The value of exports increased from \$2.3 billion to \$3.8 billion at an annual rate of 18.4 percent.

Textile industry.--There are about 4,800 textile mills in the United States; more than half have less than 100 employees. The largest number of mills are concentrated in the Southeastern States, especially the Carolinas and Georgia. In 1973 the textile mill products industry employed 1.0 million persons, the highest number since 1970, but by 1979, employment had dropped to 856,000. Productivity, however, increased annually by 4.6 percent. Average hourly earnings also increased from \$3.85 in 1976 to \$4.55 in 1979. Payroll costs amounted to 54 percent of the value added in 1979.

Semiskilled workers, most of which have been trained by the hiring establishments, dominate the U.S. textile industry. Capital expenditures for new plant and equipment were estimated at a record \$1.4 billion in 1979, up 5 percent from 1978. Approximately 10 percent of these expenditures were necessary in order to comply with Federal regulations, especially in the area of environmental and health and safety requirements. Much capital equipment in the textile industry has been modernized, but large segments still retain machinery as much as 20 years old. Raw materials are readily available and obtained competitively from manmade, cotton, and wool fiber producers. Energy and transportation costs are low and seldom exceed 10 percent of the costs of production.

With the exception of 1978, the trade balance in textile mill products experienced a surplus during 1974-79. Much of the 1979 export expansion is due to the 60-percent increase in demand from Canada and Western Europe for manmade-fiber yarns, cotton corduroy, and blended fabrics. With an expanding export market and increased productivity, the industry hopes to achieve an improved return on equity. Currently, less than 25 percent of the leading publicly held textile companies achieve a return on equity of 15 percent or more.

Table III-33.--Textiles and apparel: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Producers' shipments-----millions of dollars--:	70,888	80,957	87,370	94,126
Imports-----do-----:	4,882	5,415	7,045	7,229
Exports-----do-----:	2,289	2,381	2,624	3,801
Apparent consumption-----do-----:	73,481	83,991	91,791	97,554
Ratio, imports to consumption-----percent--:	7	6	8	7
Ratio, exports to shipments-----do-----:	3	3	3	4
Total employment-----1,000 workers--:	2,127	2,211	2,218	2,189
Canada:				
Producers' shipments-----millions of dollars--:	5,901	6,255	7,475	8,562
Imports-----do-----:	1,760	1,600	1,645	2,035
Exports-----do-----:	259	268	310	417
Apparent consumption-----do-----:	7,402	7,587	8,810	10,230
Ratio, imports to consumption-----percent--:	24	21	19	20
Ratio, exports to shipments-----do-----:	4	4	4	5
Total employment-----1,000 workers--:	194	181	185	188
Mexico:				
Producers' shipments <u>1/</u> -----millions of dollars--:	4,661	4,416	4,973	5,937
Imports <u>1/</u> -----do-----:	96	70	80	<u>2/</u> 105
Exports <u>1/</u> -----do-----:	106	93	83	<u>2/</u> 83
Apparent consumption-----do-----:	4,650	4,393	4,970	5,959
Ratio, imports to consumption-----percent--:	2	2	2	2
Ratio, exports to shipments-----percent--:	2	2	2	1

1/ Does not include exports to the United States under TSUS item 807.00 which amounted to \$205 million in 1976, \$204 million in 1977, \$157 million in 1978, and \$170 million in 1979.

2/ Estimated from U.S. imports from, and exports to, Mexico in connection with information received from the Mexican Trade Consulate in the United States. Data include estimated imports from and exports to countries other than the United States.

Source: Official statistics and other sources of the Governments of the United States, Canada, and Mexico.

Apparel industry.—More than 21,000 establishments manufactured apparel in 1980, about 2,000 fewer than in 1967. Of these firms, less than 20 percent have 100 or more employees. More than 10,000 establishments are concentrated in New York, Pennsylvania, and New Jersey; however, many have been shifting in recent years to the Southern States for a variety of economic incentives. The apparel industry employed 1,313,100 in 1979, 21,100 less than in 1978, and it ranks sixth among all industries in terms of manufacturing employment. Hourly wages increased from \$3.52 in 1976 to \$4.22 in 1979.

The apparel industry is highly labor intensive; more than half of the costs of production is accounted for by workers' wages. Like the textile industry, most workers are semiskilled and trained by the hiring establishments. Capital expenditures declined from about \$60 million in 1976 to about \$50 million in 1979; this represents slightly more than 1 percent of sales. The apparel industry has not made as much progress as the textile mill industry in developing more productive and efficient machinery. As a result, large segments of the apparel industry use old but serviceable machinery that may be more than 20 years old. Raw materials are relatively inexpensive and readily available; most are still purchased from yarn or fabric producers or other textile manufacturers. Energy and transportation costs are low and account for less than 10 percent of the costs of production.

From 1976 to 1979 the value of apparel imports increased almost 60 percent, from \$3.3 billion to \$5.1 billion, while the value of exports almost doubled from \$0.4 billion to \$0.8 billion. U.S. domestic shipments showed slower growth, increasing by about one-third from \$35 billion in 1976 to \$47 billion in 1979. The U.S. apparel industry has been increasing its productivity about 2 percent annually in recent years. While these improvements increased the price competitiveness of U.S. producers compared with that for apparel produced in other developed countries, it is not nearly sufficient to close the price gap with the developing countries. U.S. producers compete vigorously with each other within the U.S. market. This has caused apparel prices to increase at a slower rate than most other consumer products. Such competition has had a dampening influence on wage rates and profitability, and is encouraging consolidation of smaller companies into larger, diversified firms.

Government action.—The most important Government activity relating to the U.S. textile and apparel industries is its trade agreements program in conjunction with the Multifiber Arrangement (MFA). The MFA provides the international legal framework for a series of bilateral agreements between the United States and the textile- and apparel-exporting countries <sup>1/</sup> which restrict imports into the United States. Approximately 80 percent of all U.S. textile and apparel imports are subject to control under the bilateral agreements. The United States has a bilateral agreement under the MFA with Mexico which is effective through December 31, 1981. Under this agreement, exports of most textile mill products and apparel from Mexico to the United States are subject to limitations. The United States also has bilateral agreements under the MFA with Costa Rica, the Dominican Republic, and Haiti which limit their exports of certain textile and apparel products to the United States.

Government efforts to help the domestic textile and apparel industries include the promotion of an export expansion program and activities to encourage innovation and productivity in the apparel industry.

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<sup>1/</sup> China and Taiwan are also subject to restrictions but are not members of the MFA.



Canada.—There are approximately 3,000 establishments manufacturing textiles and apparel in Canada. These establishments are concentrated in the provinces of Quebec and Ontario. In 1979, the industry employed 188,000 workers, 6,000 less than in 1976.

Apparent consumption of textiles and apparel increased at an average annual rate of 11.4 percent, from \$7.4 billion in 1976 to \$10.2 billion in 1979. Imports' share of this market decreased slightly during the period, from 23.8 percent in 1976 to 20.4 percent in 1979. This decrease was primarily due to the imposition of quotas on certain textile and apparel products. Canadian exports of textiles and apparel remain small at about 5 percent of domestic shipments and 4 percent of domestic consumption.

The Canadian textile industry is a skilled, highly efficient industry, which is technologically competitive with its counterpart industries in other developed nations. This industry is fortunate in that it has access to a relatively secure and abundant supply of energy and raw materials required in the manufacturing of textile products. The Canadian apparel industry utilizes the latest technology available in the manufacturing of clothing in an effort to offset its high labor intensity.

The Canadian Government has taken protective measures to control imports of textiles and apparel into their domestic market. In November 1976, Canada imposed global quotas on a number of textile products, by invoking article XIX of the General Agreement on Tariffs and Trade. In 1978, these quotas were replaced by a series of extended coverage bilateral agreements with countries which are signatories to the MFA as well as with China and Taiwan.

Since the imposition of import controls in 1976, the industry has been in a period of economic revitalization, which thus far has resulted in fewer, but stronger firms. These firms hope to recapture gradually a larger share of their domestic market by continuing to be as technologically efficient as their competition in other developed markets, and by re-investing earned profits in their industry. If they become fully integrated and increase their domestic market share, they will seek to expand internationally. As a result of the imposition of quotas and their revitalization efforts, the industry has significantly improved its profitability, as measured by after-tax profits on owners' equity. This financial indicator rose from 4.5 percent in 1976 to about 9.4 percent in 1979. This large increase has brought the textile and apparel industry financially to about the same level as all Canadian manufacturing industries for 1979.

Mexico.—Mexican Government sources report more than 500,000 workers in textile and apparel industries, employed in approximately 10,000 establishments. However, the International Labor Organization reports only 55,000 employees. On the basis of output per employee, it is likely that a figure somewhere between is reasonable for factory employment, with additional large numbers employed in cottage industry environments. Most production facilities are located in central Mexico around the capital, Mexico City. Other important centers are in Guadalajara, Monterey, Pueblo, and along the U.S. border.

Mexico's consumption of textiles and apparel increased from \$4.6 billion in 1976 to almost \$6.0 billion in 1979. Imports and exports of these products have been less than 3 percent of consumption during 1976-79. In 1976, imports were valued at \$96 million and increased to \$105 million in 1979. Exports exceeded imports during 1976-78, but this pattern was reversed in 1979, as exports declined steadily from \$106 million in 1976 to \$83 million in 1979. Much Mexican apparel imported from the United States is further processed in Mexico and shipped back to the United States; these exports ranged from \$157 million in 1978 to \$205 million in 1976 and were \$170 million in 1979. <sup>1/</sup>

Mexico produces primarily average or low-priced textiles and apparel which generally require unskilled and semiskilled workers. Generally, little capital is necessary to establish these textile and apparel operations. Since Mexico does not have large capital resources but does have an excess of labor, establishment of these industries is desirable, especially from an employment standpoint. Raw materials to make textiles and apparel are readily available domestically at competitive prices. Growth in these industries, however, is hampered by a low level of modern equipment, low capital investment, many small- and medium-sized producers, and low per capita consumption.

Government objectives for the textile and apparel industries are to increase employment and productivity, to lower prices, to increase quality, to increase competition, and to promote and expand exports. The Government assists in the accomplishment of these objectives with production and export incentive policies and import control measures. It stimulates industry and promotes exports by using Government-owned banks which lend money to domestic manufacturers and provide financial guarantees on Mexican exports. The predominant import control measure is a strict licensing policy administered by the Mexican Department of Commerce, which issues permits on the basis of product demand and market sensitivity of domestically made products.

In general, the ability of the domestic textile and apparel industries' ability to supply the growing Mexican market and to compete in export markets has declined in the last few years because production and productivity have not grown as fast as local demand. Exports are being encouraged but are not expected to increase much because of the need for textiles and apparel within the country.

#### Central America and the Caribbean

The countries of Central America and the Caribbean have a lower level of textile consumption, production, and trade than that of the United States, Canada, or Mexico. Annual per capita consumption of textile fibers in the Central American and Caribbean countries is less than 7 pounds compared to approximately 15 for Mexico, 30 for Canada, and over 50 for the United States. The region benefits from low labor costs, overall sufficiency in cotton fiber, and proximity to the large North American markets.

In addition, proximity to the United States helps the Caribbean and Central American countries benefit from the provisions of item 807.00 of the TSUS. Item 807.00 provides that certain U.S. imports of items assembled abroad from U.S.-made components are dutiable only on the value added. In the case of apparel, the parts are cut in the United States and exported to various countries where they are sewn and finished. When the completed item<sup>92</sup> is imported into the United States, it is dutiable on the value added which is primarily the sewing labor. Thus, duties are considerably lower than if they

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<sup>1/</sup> These shipments are not reported in official Mexican trade statistics.

were assessed on the total value of the imported product. Item 807.00 is the foundation of apparel exports from the Caribbean and Central American countries to the United States. In 1978, U.S. apparel imports from the Dominican Republic, Haiti, Costa Rica, and El Salvador were \$148 million. Of that total, \$140 million or 95 percent were under item 807.00. The major 807.00 items are brassieres and other body-supporting garments with women's and children's blouses being next in importance. In 1978, the Dominican Republic, Costa Rica, Haiti, and El Salvador supplied approximately \$40 million or one-third of all U.S. imports of body-supporting garments.

Despite the benefits available through the use of item 807.00, significant growth in the export potential of the textile and apparel industries is hindered in many cases by lack of services and capital, as well as the skills to produce fashionable, good quality merchandise in large volume.

Dominican Republic.--There are about 25 establishments with 2,500 workers making textiles in the Dominican Republic, but over 150 plants with only 2,000 workers manufacturing apparel. The textile plants primarily make yarn and cotton fabric, and the apparel establishments chiefly produce underwear, shirts, overcoats, trousers and suits. Most of the establishments are located near the capital city, Santo Domingo.

Production of textiles and apparel is estimated to have increased from almost \$300 million in 1975 to about \$360 million in 1980. Imports were over \$25 million in 1978 and about \$30 million in 1979. Exports to the United States increased from \$48 million in 1978 to almost \$75 million in 1979. The United States is the nation's chief trading partner.

The Government encourages foreign investment; however, the foreign-owned firm must employ a certain proportion of Dominican nationals. Imports, including textiles and apparel, are generally restricted or prohibited, but imports of essential consumer goods are usually exempted from restrictions. The Dominican Republic currently has a bilateral agreement under the Multifiber Arrangement with the United States. Under this agreement there are specific limitations on four categories of apparel (woven cotton shirts; cotton nightwear; manmade fiber knit shirts and blouses for women, girls, and infants; and manmade fiber brassieres); other categories are subject to consultation.

Haiti.--Haiti has approximately 120,000 workers engaged in manufacturing (which accounts for 13 percent of all domestic production) and of this amount about 5,000 workers are employed in the textile and apparel industry. In 1975, there were about 30 establishments involved in textile mill production and 100 establishments producing wearing apparel. The minimum wage paid in the manufacturing sector was \$2.20 per day in 1979; wages paid in the textile and apparel industry are believed to be comparable. The two main items of textile production in 1976 were woven cotton fabrics at 2.4 million yards and cordage at 3,243 metric tons. The cordage industry, however, is declining because of increased competition of exports from Mexico, Brazil, and eastern Africa. Major apparel items produced included cotton blouses and slacks for women, girls, and infants, and brassieres.

Most apparel products manufactured in Haiti are exported with the United States receiving the majority of such exports. U.S. textile and apparel imports from Haiti were valued at \$56 million in 1979.

Haiti currently has a bilateral agreement under the Multifiber Arrangement with the United States. Under this agreement, there are specific limitations on the following products: cotton and manmade fiber playsuits, cotton and manmade fiber brassieres, manmade fiber hosiery, and manmade fiber women's coats. Fifteen other categories are subject to consultation.

El Salvador.--The textile and apparel industry in El Salvador employed approximately 7,000 workers in 1976 (the most recent year for which such data are available) which accounted for approximately 10 percent of the total manufacturing work force of 7.6 million. The value of production of the textile and apparel sector in 1976 was \$110 million. The industry makes a wide variety of textile articles. The principal textile articles produced are woven fabrics of cotton and of cellulosic manmade fibers (rayon and acetate), knit undergarments, and socks.

In 1979, the United States imported textile and apparel items from El Salvador valued at \$37.7 million of which \$31.1 million was apparel.

In April 1972 the United States and El Salvador signed a 5-year bilateral agreement governing exports of cotton textiles from El Salvador to the United States. In 1973 the two governments agreed to extend the agreement an additional 2 years. Because of the limited volume of textile exports from El Salvador to the United States, the agreement was terminated in July 1976.

Costa Rica.--Exports of textile and apparel items to the United States from Costa Rica in 1979 were valued at \$33 million. Over 99 percent of this was apparel, with body-supporting garments--chiefly brassieres--accounting for 44 percent of the total.

In September 1980, the United States and Costa Rica entered into a 4-year bilateral agreement relating to trade in cotton, wool, and manmade fiber textiles and textile products. The only items exported from Costa Rica to the United States subject to specific restraints under this agreement are manmade fiber brassieres and other body-supporting garments.

#### Comparison of sectors within each North American country

As a separate market for textiles and apparel within North America, the United States is 10 times larger than the second ranking market; it consumed almost 100 billion dollars' worth of these products in 1979, while Canada consumed only 10 billion dollars' worth. Mexico ranked third with a \$6 billion market in 1979. The United States employed more workers per establishment than either Canada or Mexico, averaging about 80 workers per plant in 1979, while Canada averaged about 60. The U.S. output per establishment amounted to \$3.9 million in 1979, and Canada, \$2.9 million.

Technology in textiles and apparel in the United States is among the most advanced in the world. Canadian technology in textiles and apparel is also high, as considerable modernization of textile and apparel establishments has also been undertaken in recent years. Mexico lags behind the United States and Canada in the application of technology and has a relatively low level of modernized equipment in its textile and apparel plants.

The United States, Canada, and Mexico have abundant and readily available raw materials to produce textiles and apparel. In addition, Mexico has many unskilled and semiskilled workers which are necessary for many segments of the textile and apparel industries. U.S. and Canadian workers are high priced, but their special skills and productivity help produce quality textiles and apparel for internal and external consumption. Also, owing to the shortage of credit in Mexico discussed earlier, Mexican textile and apparel manufacturers do not always have access to the large sums of capital available to the U.S. and Canadian industries, and thus have been hampered in their efforts to expand or become more efficient.

Domestically produced textiles and apparel in the United States and Canada are competitive in price but are generally priced higher than imports. In Mexico, domestically produced textiles and apparel are often lower in price and quality than those of Canada and the United States.

#### Extent of current North American integration in the sector

Some U.S. firms have interests in textiles and apparel production in Canada and Mexico. A very small number of Canadian companies have subsidiaries or interests in the United States. Even fewer Mexican firms have interests in textile and apparel production outside their country. Textile and apparel firms in the other North American countries have little, if any, manufacturing interests in foreign nations.

Coproduction (parts produced in one country and assembled in another) of textiles and apparel exists in significant quantities along the U.S.-Mexican border. Here the principal products assembled in Mexico include body-supporting garments, women's, girls' and infants' apparel, and men's and boys' apparel.

Textile and apparel sales markets are supplied principally by domestic production in the United States, Canada, and Mexico. The markets of some of the other North American countries (especially the Central American republics and a few of the larger Caribbean island nations) are also supplied mainly by domestic manufacturers, but many of these nations obtain most of their textiles and apparel from the United States, the United Kingdom, or France. The United States is the principal import supplier to Canada and Mexico. In 1979, Mexico and Canada ranked 7th and 16th, respectively, as suppliers to the U.S. market. Much of the Mexican shipments to the United States entered under TSUS item 807.00; <sup>1/</sup> most other textile and apparel exports to the United States are subject to limitations under the MFA.

During 1974-78, the value of apparel imports into the United States increased 140 percent to \$4.8 billion in 1978, or 13 percent of the U.S. market. Of the 1978 total shipments valued at \$40 billion, the value of exports was less than 2 percent, or \$551 million. Of that amount, \$250 million, or 45 percent, was attributable to industry's use of the TSUS item 807.00 provision. In 1978, Hong Kong, Korea, and Taiwan together supplied 58 percent of the imports to the United States. Measured from 1971, the year in

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<sup>1/</sup> Item 807.00 provides that imports assembled in foreign countries incorporating U.S.-made components are dutiable at full value less the value of the U.S.-made component. 95

which the first multifiber bilateral agreements were affected, the increase of imports in equivalent square yards was from 2,098 million to 2,671 million in 1979, representing an annual growth rate of 2.7 percent. The Index of Industrial Production indicates U.S. apparel production increased 4 percent during 1976-79. The ratio of imports to consumption for apparel shows an increase from 12.2 percent in 1976 to 14.8 percent in 1979.

The latest figures for the total apparel industry show capital expenditures of \$60.1 million in 1976 and \$43.1 million in 1977; this represents slightly more than 1 percent of sales. The larger diversified, publicly held apparel firms have higher rates of investments which may equal 2 percent or more of sales.

Apparel industry sales have increased at a decreasing rate in the 1976-79 period--13 percent in 1976; 7 percent in 1977, and 5 percent in 1978. Since annual unit growth for both the public and private apparel firms has been estimated at 1 to 2 percent, the compounded annual increase of 11.8 percent from 1975 to 1979 for the 84 largest public apparel companies demonstrates that the larger public corporations are taking over a larger share of the market.

## Petroleum

### Sector coverage

The petroleum sector is defined, for purposes of this analysis, to include crude petroleum and natural gas production, and refining, including petroleum products. The appropriate 4-digit SIC numbers are 1311 (Crude Petroleum and Natural Gas), 1321 (Natural Gas Liquids), and 2911 (Petroleum Refining).

### Sector description by country

United States.--The petroleum sector is composed of approximately 5,950 companies, of which the major portion are engaged in exploration and development activities. Out of this total number of companies, about 100 are in the refining business, with each company owning one or more refineries, for a total of 311 refineries.

The production and refining of crude petroleum and the production and processing of natural gas are centered in the gulf coast area. However, there is significant production in other areas of the country, including Alaska, California, Oklahoma, and Wyoming. Some refineries are also located in or near major consumption centers such as Chicago, Los Angeles, and the Middle Atlantic and New England regions.

Approximately 631,000 people are employed in all segments of the petroleum sector. The largest number of employees in any one segment, except for those in the production and refining segments, are engaged in retail trade at the service station level. Other segments include wholesale trade, transportation, and lubricants production. The value of the U.S. petroleum sector's producers' shipments increased from \$102 billion in 1976 to \$179 billion in 1979 (Table III-34).

Table III-34.--Petroleum: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Producers' shipments-----millions of dollars--:	101,816	117,477	126,011	179,251
Imports-----do-----:	33,719	25,018	39,157	55,728
Exports-----do-----:	667	760	1,092	1,264
Apparent consumption-----do-----:	134,868	141,735	164,072	233,715
Ratio, imports to consumption-----percent--:	25	18	24	24
Ratio, exports to shipments-----do-----:	1	1	1	1
Total employment 1/-----1,000 workers--:	2/ 530	2/ 550	593	631
Canada:				
Producers' shipments-----millions of dollars--:	13,390	14,875	16,529	18,365
Imports-----do-----:	5,376	5,279	7,068	8,737
Exports-----do-----:	4,533	4,213	3,785	5,977
Apparent consumption-----do-----:	14,233	15,941	19,812	21,125
Ratio, imports to consumption-----percent--:	38	33	36	41
Ratio, exports to shipments-----do-----:	34	28	23	33
Total employment 1/-----1,000 workers--:	2/ 73	2/ 75	2/ 78	2/ 80
Mexico:				
Producers' shipments-----millions of dollars--:	4,942	8,376	8,923	14,700
Imports-----do-----:	327	157	3/	3/
Exports-----do-----:	682	3,623	3/	3/
Apparent consumption-----do-----:	4,587	4,910	3/	3/
Ratio, imports to consumption-----percent--:	7	3	3/	3/
Ratio, exports to shipments-----do-----:	14	43	3/	3/
Total employment 4/-----1,000 workers--:	2/ 126	2/ 128	2/ 129	2/ 130

1/ Crude petroleum and natural gas production, and petroleum refining.

2/ Estimated.

3/ Not available.

4/ PEMEX.

Source: U.S. Department of Commerce, U.S. Department of Energy, Statistics Canada, Petroleos Mexicanos, Industry sources.

Apparent consumption of petroleum in the United States consists essentially of production plus imports, because exports are relatively insignificant. Crude petroleum makes up the major share of imports; far fewer petroleum products <sup>1/</sup> are imported, and less than 10 percent of the domestic consumption of natural gas is imported. The value of the petroleum sector's apparent consumption increased each year from 1976 through 1979, rising from \$135 billion in 1976 to \$234 billion in 1979.

U.S. petroleum trade consists principally of imports of crude petroleum from the Organization of the Petroleum Exporting Countries (OPEC). Leading OPEC sources include Saudi Arabia, Nigeria, Venezuela, Libya, and Algeria. Other U.S. sources of crude petroleum include Canada and Mexico. From 1976 through 1979, the ratio of the dollar value of petroleum sector imports to exports varied between a low of 27 percent and a high of 33 percent. In 1979, U.S. imports were valued at more than \$59 billion while exports were valued at less than \$2 billion.

The United States possesses, to a degree, all of the factors necessary for the efficient performance of the petroleum sector. The United States' main weakness is insufficient domestic crude petroleum production to balance domestic demand, which makes the United States dependent upon imports and OPEC. This dependence has resulted in continuously increasing prices, general inflation, and other economic problems.

Price controls on domestically produced crude petroleum and natural gas have encouraged consumption and reduced production. They have also afforded U.S. industries that use significant quantities of petroleum and natural gas some cost advantage in the export market. However, price controls on crude petroleum are to be removed in 1981, while natural gas prices are to be decontrolled by 1985.

The business climate of the U.S. petroleum sector is good. However, price controls and other controls, particularly the rules and regulations concerning pollution control of the U.S. Department of Energy and the Environmental Protection Agency, are reported as costly to the petroleum sector. The U.S. Department of Commerce reported in early 1980 that the petroleum industry was expected to spend \$1.5 billion on pollution control in 1980 out of an estimated total of \$4.5 billion spent by all industry.

The after-tax profit-to-equity ratio of the petroleum sector is around 14 percent, roughly equivalent to the ratio for other manufacturing industries. In some years the ratio for the petroleum industry has been higher than the average for all manufacturing industries, while in other years it has been below the average.

The U.S. petroleum sector's role in international commerce is decreasing as the governments and national oil companies of foreign producing countries assume increasingly active roles. Prior to the early 1970's, U.S. petroleum company affiliates were very active in producing and exporting petroleum from most of the OPEC countries. Until the early 1950's, the U.S. industry also exported significant quantities of domestically produced crude petroleum.

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<sup>1/</sup> Products made from crude petroleum, including such familiar consumer products as gasoline, heating oil, and lubricating oil.



Canada.--Canada's petroleum industry, once almost completely foreign owned, is now about one-quarter owned by Canadian interests. However, at present, of the top 25 companies producing petroleum and natural gas in Canada, 19 are still more than one-half owned by foreign interests, and 17 of these 19 companies are affiliates of U.S.-based multinational firms. Canada has slightly more than 30 refineries, and an estimated total employment in all segments of the petroleum industry of 300,000.

The production of crude petroleum and natural gas and the refining of crude petroleum and processing of natural gas are centered in the Western Provinces of British Columbia and Alberta. The value of shipments of the petroleum sector increased from approximately \$13 billion in 1976 to more than \$18 billion in 1979. There are refineries located also in the Eastern Provinces, where Canadian consumption is centered, particularly Quebec and Ontario. Apparent consumption in the petroleum sector increased each year from 1976 to 1979, rising from \$14 billion in 1976 to \$21 billion in 1979. Almost all of the material processed in the Western Provinces is produced in Canada, whereas a large share of the material processed in the Eastern Provinces is imported.

In 1979, about 30 percent of Canada's crude petroleum requirements were satisfied by imports. Canada also exports about 15 percent of its crude petroleum production principally to the United States. Canada exports approximately one-third of its natural gas production to the United States; Japan is the only other significant Canadian export market. Overall, petroleum sector imports have been larger than exports for the years 1976 through 1979.

Canada has most of the factors of production readily available, although there are persistent industry reports that foreign capital and technology will probably be required if Canada is to achieve crude petroleum self-sufficiency in the next 10 to 15 years. Huge sums of money and advanced materials and equipment will be needed to explore and develop production of crude petroleum, especially in those sections of the country with particularly hostile environments such as offshore and in the far north.

The petroleum sector's business climate, which has been unsettled because of a dispute over pricing between the Provincial and Federal Governments, suffered even more as a result of the recent Canadian Government's orders for "Canadianization" of the petroleum industry. The goal of this program is to obtain by 1990 at least one-half Canadian ownership of all of the functions of the petroleum industry. The major benefactor of the program would be Petro Canada, the Government-controlled petroleum company, which currently ranks ninth in size in Canada.

The pricing dispute is the result of disagreement between the Federal and Provincial Governments over how fast the prices of Canadian-produced crude petroleum and natural gas prices should be allowed to rise and to what level. Canadian prices are now about one-half of world prices; the Provincial Governments want a rapid rise to world levels, whereas the Federal Government wants a slower rise to perhaps 85 percent of world levels. There is also disagreement as to how Federal and Provincial Governments are to share the increasing revenues.

The economic health of the industry is good, but obviously would be better if prices were allowed to rise sharply to world levels and the producing companies were allowed to retain most of the resulting revenues. Both the quantity and price of Canada's exports of crude petroleum and natural gas, principally to the United States, are Federally controlled. An export tax raises the domestic price of crude petroleum to or above world levels, and the allotted volume of exports is being gradually decreased. It is possible, according to the Canadian National Energy Board, that all crude petroleum exports to the United States could be eliminated in the future.

Mexico.--Since 1938 there has been but one producer of crude petroleum and natural gas in Mexico. Petroleos Mexicanos (PEMEX) has a Government-granted monopoly position in all segments of the industry. Foreign firms, including U.S. companies, participate on a service contract basis and cannot share in the ownership or profits of the Mexican industry.

The resources and production of crude petroleum and natural gas in Mexico are centered in four areas. Natural gas fields lie just below the Mexican-U.S. border in the Sabinas Basin and the Reynosa and Matamoros areas. Crude petroleum deposits are principally in the Golden Lane, Chicotepec, and Reforma fields, all of which lie along the Mexican gulf coast. Mexican petroleum sector shipments increased rapidly over the years from 1976 to 1979 owing principally to the increased production of crude petroleum. Refining centers, which numbered nine at the beginning of 1980, are principally located in the area south of Reynosa and north of Salina Cruz, that is, the middle section of Mexico, which contains many of the country's large population centers. Apparent consumption in the petroleum sector has not increased as rapidly as has crude petroleum production because a large fraction of the production has been exported.

Mexico imported significant quantities of crude petroleum as recently as 1974 to meet its domestic requirements. Since then, known reserves have increased as has production. Although Mexico's consumption has also increased, Mexico is now a net exporter of crude petroleum. The United States currently buys about three-fourths of Mexico's crude petroleum exports at prices slightly above the prevailing OPEC price. The United States also purchases natural gas from Mexico and periodically discusses the availability and pricing of additional purchases.

PEMEX has been limited in the past by inadequacies in certain factors of production such as skilled labor, technology, and transportation. The Mexican Government has recognized these inadequacies and is developing programs to correct them, particularly those deficiencies which cut across industries, such as transportation. It is very probable that PEMEX may in the future require foreign technology to develop certain Mexican crude petroleum and natural gas resources, especially in difficult environments such as those deposits in deep offshore waters.

PEMEX, as a Government company, works closely with the Mexican Government, and may at times act in a manner so as to foster Government goals, even at the sacrifice of profit. PEMEX produces and plans under many Government rules and regulations which may give it certain economic advantages in feedstock and energy prices. Approximately 130,000 are employed by PEMEX.

The health of the Mexican petroleum and natural gas industry has improved since the early 1970's. Increasing production and the resulting export of crude petroleum at prices equal to or above OPEC prices (although Mexico is not a member of OPEC) have increased revenues to the degree that there is now concern in Mexico that increasing revenues should be monitored closely or they could cause escalating inflation rates and social unrest. However, future Mexican crude petroleum and natural gas production rates may be curtailed below those technically feasible, which would reduce the future growth rate of the Mexican petroleum sector.

Trinidad and Tobago.--The Republic of Trinidad and Tobago is unique among the nations in the Caribbean and Central America in that it possesses commercially attractive deposits of both crude petroleum and natural gas. The annual production of both crude petroleum and natural gas in Trinidad and Tobago has recently consistently ranked in volume behind only 6 or 7 other nations in the entire Western Hemisphere. Trinidad and Tobago also has two large relatively technically advanced refineries, with a combined annual crude petroleum distillation capacity that ranks tenth in size in the Western Hemisphere. Some Western Hemisphere nations, such as the Bahamas and the Virgin Islands, with larger annual crude petroleum distillation capacities, do not possess the catalytic cruding and/or reforming capabilities which give Trinidad and Tobago a greater ability to produce a greater variety of petroleum products and petrochemical feedstocks.

#### Comparison of sectors in each North American country

The petroleum industry in the United States is currently larger than the industries in either Mexico or Canada. However, while Mexico is now a net petroleum exporter and Canada has set a goal of achieving petroleum self-sufficiency by the 1990's, many industry analysts believe the United States will continue to be dependent upon imports and OPEC. This position would leave the United States more susceptible to OPEC production cuts and price increases than either Mexico or Canada.

The United States has no Government petroleum company as do both Canada and Mexico. Therefore, to the degree that a national petroleum company confers advantages on the nation's petroleum industry, the United States' industry is at a disadvantage.

The prices of crude petroleum and natural gas are maintained below world levels in all three countries. Only the United States, however, has definite plans for decontrolling these prices. And, while prices will rise in Canada, it is possible they will never be higher than 85 percent of world levels. Many Canadians believe Canadian industry requires a price advantage to compensate for higher Canadian construction and operating costs. Very little detail is available on Mexican and PEMEX pricing policies. However, lower energy and feedstock prices in Canada and Mexico would give those industries in both countries using significant quantities of either commodity competitive advantages over the corresponding U.S. industries in world markets.

Trinidad and Tobago, as a result of its crude petroleum resources, a relatively technically advanced refining industry, and small population, has become a significant exporter of crude petroleum and petroleum products.<sup>101</sup> In 1980, Trinidad and Tobago ranked number 4 among Western Hemisphere sources of

U.S. crude petroleum imports. In addition, Trinidad and Tobago is a source of petroleum products, including residual fuel oil. Trinidad and Tobago is emphasizing the domestic use of natural gas which will free additional crude petroleum and petroleum products in the future for the export market. In 1979, the Trinidad and Tobago Government formed a national energy company to guide the future development and operations of energy based industries in the country.

#### Extent of current North American integration in the sector

Affiliates of U.S. multinational oil companies currently make up the major portion of the Canadian industry, but this situation should change drastically in the future as a result of the "Canadianization" of the petroleum industry. U.S. companies are also active in Mexico, working through service contracts and similar arrangements that do not entail any ownership of or profits on the natural gas or petroleum.

Petroleum and natural gas trade takes place between Canada, Mexico, and the United States, with the major share consisting of U.S. imports from the other two countries. No North American country refines another North American country's crude petroleum and returns the products.

The markets in the three countries are essentially independent of one another. Refineries in each of the countries produce petroleum products for that country's domestic market, although some minor trade in petroleum products can occur.

Petroleum trade takes place between Trinidad and other North American nations, including the United States. The dominant refinery is owned by a major U.S. oil company while the second refinery is locally owned.

### Chemicals

#### Sector coverage

The chemicals sector covers Standard Industrial Classification (SIC) code 28, Chemicals and Allied Products. In terms of U.S. producers' shipments, the most important subgroup in this class is industrial organic chemicals, which are predominantly petrochemicals. <sup>1/</sup> Along with cyclic crudes and intermediates, alkalis and chlorine, and industrial inorganic chemicals, these products are used mostly to produce the other groups of products in this sector such as pharmaceutical preparations, synthetic fibers, toiletries, plastics materials, paint and other coatings, and soaps and detergents.

The chemical industry is the largest user of energy or energy materials of all the manufacturing industries; it uses these materials both as fuel and as feedstock for petrochemicals production.

#### Sector description by country

United States.--The number of U.S. producing establishments in this sector was 11,425 in 1972, the latest year for which complete data are available. By 1980, this number had increased to an estimated 13,000. The

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<sup>1/</sup> For further information, see U.S. International Trade Commission, Study of the Petrochemical Industries in the Countries of the Northern Portion of the Western Hemisphere: Final Report on Investigation No. 332-109..., in 4 volumes, USITC publication 1123, January 1981.

majority of these establishments are fairly small, as shown by the fact that as of 1977 only 4,431 producing establishments in this sector had 20 or more employees. The major producing areas are the Middle Atlantic, East North Central, South Atlantic, West South Central, and California.

Total employment in this sector increased from 850,900 persons in 1976 to an estimated 902,700 in 1979. During the same period, the average hourly earnings increased from \$6.14 in 1976 to \$7.59 in 1979. The largest subgroups in terms of employment in 1979 were industrial organic chemicals and pharmaceutical preparations, each with 14 percent of the total.

Apparent U.S. consumption in this sector rose steadily from \$98.4 billion in 1976 to \$141.6 billion in 1979, or by 44 percent. U.S. producers' shipments rose 46 percent during the same period, from \$104.1 billion in 1976 to \$152.0 billion in 1979 (table III-35).

U.S. exports of \$10.8 billion in 1976 accounted for 10.4 percent of producers' shipments. Exports rose 67 percent to \$18.0 billion in 1979, when they accounted for 11.8 percent of producers' shipments. Exports of chemicals play an important role in the U.S. balance of trade, accounting for 9.6 percent of the value of total U.S. exports in 1978, and were 2.4 times the value of chemical imports. From 1974 to 1978 the rate of increase in imports was greater than that of exports. However, during 1979, this trend reversed, with exports growing 32 percent compared with an increase of 13 percent for imports.

U.S. imports of chemicals increased 51 percent from \$5.0 billion in 1976 to \$7.6 billion in 1979. The share of apparent consumption supplied by imports rose from 5.1 percent in 1976 to 5.6 percent in 1977, and then declined to 5.4 percent in 1979.

The increasing cost of fuel, electricity, and feedstocks are major factors in the production of chemicals. As a result, the greatest price increases have occurred for petrochemicals. The availability and cost of transportation of raw materials and energy supplies are also important factors, which often results in producing establishments being located in areas close to indigenous natural gas, petroleum, or mineral deposits, in part to save on transportation costs. The U.S. petrochemical industry uses a greater proportion of natural gas liquids than other countries' petrochemical industries because of ready availability; however, this is changing because of a leveling off of U.S. production of natural gas.

Although the rate of growth for the capital-intensive U.S. chemical industry is declining, capital expenditures are increasing and are estimated at \$9 billion in 1979, with pollution-control equipment accounting for about 7 percent of the total. The increasing importance of solid-waste disposal will probably result in even larger capital expenditures in future years.

Table III-35.--Chemicals: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Producers' shipments-----millions of dollars--:	104,140	118,000	130,000	152,000
Imports-----do-----:	5,032	6,273	6,711	7,600
Exports-----do-----:	10,799	11,705	13,660	18,000
Apparent consumption-----do-----:	98,373	112,568	123,051	141,600
Ratio, imports to consumption-----percent--:	5	6	6	5
Ratio, exports to shipments-----do-----:	10	10	11	12
Total employment-----1,000 workers--:	851	1/ 880	1/ 894	1/ 903
Canada:				
Producers' shipments-----millions of dollars--:	5,785	6,053	6,660	2/
Imports-----do-----:	2,208	2,498	2,843	3,523
Exports-----do-----:	1,560	1,837	2,300	3,333
Apparent consumption-----do-----:	6,433	6,714	7,203	2/
Ratio, imports to consumption-----percent--:	34	37	40	2/
Ratio, exports to shipments-----do-----:	27	30	35	2/
Total employment-----1,000 workers--:	79	82	85	2/
Mexico:				
Producers' shipments-----millions of dollars--:	3,465	3,070	3,668	1/ 4,100
Imports-----do-----:	917	931	1,289	1/ 1,670
Exports-----do-----:	297	315	420	1/ 445
Apparent consumption-----do-----:	4,085	3,686	4,537	1/ 5,325
Ratio, imports to consumption-----percent--:	22	25	35	1/ 31
Ratio, exports to shipments-----do-----:	9	10	12	1/ 11
Total employment-----1,000 workers--:	101	118	129	151

1/ Estimated.

2/ Not available.

Source: Data for the United States; compiled from official statistics of the U.S. Department of Commerce, except as noted. Data for Canada; production and employment compiled from Statistics Canada; imports and exports, compiled from U.N. series D trade data. Data for Mexico; compiled from Anuario de la industria quimica Mexicana en 1978, except as noted.

Note.--Data for the United States covers SIC code 28.

The U.S. chemical industry has been particularly hard hit by Government regulations concerning health and safety and the disposal of waste products. Of increasing importance is the cleaning up of old toxic waste dump sites. This will result in increased expenditures by the industry and tend to further increase prices, while stimulating additional production of some chemicals which are used in pollution control.

The U.S. chemical industry is expected to continue to grow in future years; however, it is forecast that the rate of growth will be less than in the past. Domestic productive capacity is generally adequate to supply domestic demand and the export market for most chemicals. However, U.S. exports may find increasing competition in world markets as petroleum-rich countries in Latin America, the Far East, and the Middle East develop production capacity for petrochemicals.

Canada.--Chemical manufacturing establishments in Canada increased from 1,039 in 1976 to 1,189 in 1978. The producing companies are owned by private Canadian firms, foreign firms, and by the Canadian Government. For example, five of the top eight Canadian petrochemical companies are owned in the majority by the United States, and two of the three Canadian-owned firms are at least partially owned by the Canadian Government.

Employment in Canadian chemical firms increased from 79,000 persons in 1976 to 85,000 in 1978. About 30 percent of these employees in 1978 were in firms manufacturing industrial organic and inorganic chemicals.

In terms of U.S. dollars, apparent consumption of chemicals in Canada rose by 12 percent from \$6.4 billion in 1976 to \$7.2 billion in 1978. The value of producers' shipments grew to a greater degree, by 15 percent, from \$5.8 billion in 1976 to \$6.7 billion in 1978.

Canadian exports of chemicals rose from \$1.6 billion in 1976 to \$2.3 billion in 1978 and to \$3.3 billion in 1979, representing an increase of 114 percent from 1976 to 1979. The ratio of exports to value of shipments increased from 27.0 percent in 1976 to 34.5 percent in 1978. The United States is the principal Canadian export market.

In international trade, Canada is a net importer, although the trade imbalance is narrowing. Imports increased 60 percent from \$2.2 billion in 1976 to \$3.5 billion in 1979. In 1976, imports were 1.4 times as great as exports; in 1979 they were nearly equal. Imports accounted for 34 percent of apparent domestic consumption in 1976 and rose to 39.5 percent in 1978. In the past few years, heavy investment in the chemical industry has helped to reduce the Canadian balance of trade deficit. A favorable exchange rate has also contributed to this end.

Canada has large petroleum, natural gas, and other mineral resources which enable it to be virtually self-sufficient in chemical raw materials. However, severe weather conditions and the lack of a highly developed road and transportation system between eastern and western provinces have somewhat hampered Canada from fully exploiting these resources.

In order to gain more favorable access to the U.S. market, the Premier of Alberta has proposed bilateral duty-free access for a limited list of petrochemicals to the U.S. market in return for increased Canadian exports of natural gas to the United States.

To a great extent, the future of Canada's chemical industry, particularly petrochemicals, lies in increased exports. A bilateral free-trade agreement with the United States could be an important support to an export-oriented industry. By the mid- to late 1980's, more than one-half of Canadian petrochemical production may be exported.

Mexico.--There are several hundred producers of chemicals in Mexico. About one-half of these are located in the Valley of Mexico, the Federal District, and the States of Mexico and Morelos, which are areas surrounding Mexico City. Most of these companies are small, family owned, and produce only a very few individual chemicals each. There are also some larger companies, a large portion of which are affiliates of foreign parent firms. With certain exceptions, however, Mexican law requires that firms in Mexico have at least 51 percent ownership by Mexican interests. The largest company is Petroleos Mexicanos (PEMEX), a Government-owned operation which, along with another Government operation, FERTIMEX, has a monopoly in production of many basic high-volume petrochemicals and industrial inorganic chemicals.

Employment in the Mexican chemical industry has increased greatly in recent years, rising 50 percent from 100,800 persons in 1976 to 151,400 in 1979.

Apparent consumption of chemicals in Mexico declined in terms of U.S. dollars from \$4.1 billion in 1976 to \$3.7 billion in 1977, and then rose to an estimated \$5.3 billion in 1979. The value of production followed a similar trend, falling from \$3.5 billion in 1976 to \$3.1 billion in 1977, and then rising to an estimated \$4.1 billion in 1979. In terms of Mexican pesos, however, the values of consumption and production show increases each year during 1976-78.

Mexican exports of chemicals are relatively small compared with those of the United States and Canada. Exports are increasing, however, and rose 50 percent from \$297 million in 1976 to \$445 million in 1979, when they accounted for 10.9 percent of the value of production.

In international trade, Mexico is a net importer. Imports increased 82 percent, from \$917 million in 1976 to \$1.7 billion in 1979, when imports were 3.8 times the value of exports. Imports accounted for 22 percent of apparent consumption in 1976; this rose to 35 percent in 1978, and is estimated at 31 percent for 1979.

Compared with the amount of skilled labor in the United States and Canada, Mexico is at a disadvantage and faces a difficult job in finding and training the estimated additional 200,000 technicians its chemical industry will need over the next 10 years.

The value of investment in the Mexican chemical industry rose from \$430 million in 1976 to \$3.1 billion in 1978. The estimated investment for 1979 was \$1.1 billion. In Mexico, PEMEX appears to have an advantage over the United States, Canada, and other Mexican chemical producers in obtaining capital. It finds industrial credit reasonably available and usually at lower rates than exist in either the United States or Canada, or even in the Mexican private sector.

Mexico also has an advantage regarding labor costs, as wage rates are low compared with wage rates in the United States and Canada; wage rates often<sup>106</sup> have not kept pace with Mexico's rate of inflation.



In cost of feedstocks, PEMEX again probably has a cost advantage over private firms in Mexico and a large number of the world's petrochemical leaders as well.

Although imports necessarily supply a large part of Mexico's consumption of chemicals at the present time, the petrochemical industry, at least, is largely protected from low-price import competition by tariffs and nontariff barriers.

Factors that hamper Mexico's development of its chemical industry include lack of a well developed transportation and road system and the limited buying power of much of the population. Some expansion is also limited because of the monopoly that PEMEX has on production of certain petrochemicals.

Mexico plans to expand its petrochemical industry to decrease its negative chemical trade balance, although exports of petrochemicals are expected to decrease until 1982 because of increases in domestic consumption. However, Mexico may decide to export crude petroleum and natural gas at world prices instead of petrochemicals made with subsidized feedstocks.

Trinidad and Tobago.--The Republic of Trinidad and Tobago, with significant crude petroleum and natural gas resources, and a relatively technically advanced refining industry, is poised to advance in the area of petrochemicals. The nation is considering several projects which would make use of probable future natural gas surpluses, including facilities to manufacture urea and methanol. A large plant has already been ordered from an international, engineering, and construction company, with a tentative on-stream date of 1983.

Already there exists a sizable ammonia production capacity in Trinidad and Tobago, and future plans indicate further expansion. The Trinidad and Tobago Government has part ownership of the current ammonia production capacity and will be a joint venture partner with a U.S. company in two new ammonia plants scheduled to be on stream this year and in 1982. In 1980, Trinidad and Tobago had the seventh largest annual production capacity for ammonia among all of the developing countries. By 1985, Trinidad and Tobago is expected to have the fifth largest capacity, just slightly smaller than that of Algeria.

#### Comparison of sectors in the major North American countries

Although Mexico frequently imposes the highest duty rates of the major North American countries on imports of individual chemicals and employs nontariff barriers such as import licenses, its negative balance of trade for chemicals contrasts sharply with the almost neutral balance of Canada and the substantially favorable balance of trade for U.S. chemicals. Mexican firms have an advantage over those in the United States and Canada on funding for research and development in the chemical industry in that most of this is paid for by the Government. U.S. and Canadian funding for research and development comes mostly from the private sector. Mexico, or at least PEMEX, also has an advantage over the United States and Canada in obtaining capital for investment. In addition, Mexico has lower labor costs than the United States and Canada. The United States, however, has the best developed road and 107 transportation system of the three countries.

The Republic of Trinidad and Tobago has significant ammonia production capacity particularly in relation to domestic demand. Therefore, when this capacity is used anywhere near its capability, important quantities of ammonia are available for the export market.

Extent of current North American integration in the sector

The U.S. chemical industry supplies most of the U.S. domestic demand, a large portion of Mexican demand, and more than one-fourth of Canada's demand. The United States is Canada's principal trading partner for both imports and exports of chemicals.

U.S. firms are prominent in ownership of some of the largest Canadian chemical producers. In Mexico, although there is some foreign investment in producing companies, that country's law requires controlling interest to be in Mexican hands.

Vertical and horizontal integration of chemical producers is greatest in the United States. In Mexico, however, PEMEX has a monopoly on production of crude petroleum and certain petrochemicals produced from this crude that prevents other Mexican firms from even considering vertical integration for these products.

Trinidad and Tobago is an important source of U.S. ammonia imports. In 1979 it supplied 17 percent of total U.S. ammonia imports and ranked second to Canada in importance as a Western Hemisphere source.

A major U.S. chemical company owns one ammonia plant completely and is part owner with the Trinidad and Tobago Government of another ammonia plant. A major U.S. oil company plans to open two new ammonia plants in 1981 and 1982 in which it has the Government as a partner.

Sector coverage

The products covered in the electrical and electronics sector include switchgear, electrical distribution equipment, telecommunications apparatus, electric motors, and other electrical machinery and devices, such as batteries, lamps, electronic tubes, semiconductors, automotive electrical equipment, and electro-mechanical hand tools. These products are included principally in SIC numbers 35, 36, and 38. Computers and computer peripherals are not included.

Sector description by country

United States.--The products covered herein are produced in over 4,000 producing establishments located throughout the United States. The heaviest concentration of establishments is located in the Northeast and Far West, and a heavy concentration is located in the Midwest. In the last five years, some movement from the Northeast to the South has occurred. These establishments, most of which are operated by large multiproduct firms, employ over 2 million persons.

U.S. apparent consumption of the subject products has increased from an estimated \$74 billion in 1976 to an estimated \$111 billion in 1979 (table III-36). Estimated domestic shipments for the same years increased from \$75 billion to \$111 billion. The value of exports is estimated to account for about 12 percent of domestic shipments and was greater than the value of imports in each year during 1976-79. The positive trade balance is estimated at \$1.7 billion in 1976 and narrowed to about \$700 million in 1979.

Production of the articles covered requires a significant investment in high-technology production equipment and a high percentage of skilled scientists, engineers, and technicians, in addition to an adequate supply of low-skilled labor. For many of the products, much of the low-skilled labor is provided in foreign subsidiaries of U.S. firms. Most of the raw materials used are abundant in the United States, although the price of many of the metals consumed in production has increased substantially since 1976.

The current domestic business climate has been widely criticized by many of the producers. The focus of the criticism is that the U.S. investment incentives and tax provisions are not conducive to expansion and productivity in the inflationary climate. Many U.S. producers are multinational in scope not only for these reasons but also because U.S. minimum-wage laws mean that the cost of even unskilled labor is comparatively high. In these areas, U.S. producers are provided a more favorable business climate in both developed and developing countries and maintain production facilities in these countries for at least part of the production process.

The economic health of the U.S. industries manufacturing the products considered varies considerably given the wide scope of products which are included. Generally, firms in high-technology industries do better than firms in most other industries; however, all industries have expressed problems which they attribute to import penetration and the U.S. business climate.

Table III-36.--Electronics: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Producers' shipments-----millions of dollars--:	75,375 :	82,825 :	93,866 :	111,400
Imports-----do-----:	7,287 :	8,280 :	11,010 :	12,668
Exports-----do-----:	9,045 :	9,939 :	11,264 :	13,368
Apparent consumption-----do-----:	73,617 :	81,166 :	93,612 :	110,700
Ratio, imports to consumption-----percent--:	10 :	10 :	12 :	11
Ratio, exports to shipments-----do-----:	12 :	12 :	12 :	12
Total employment-----1,000 workers--:	2,153 :	2,300 :	2,470 :	2,785
Canada:				
Producers' shipments-----millions of dollars--:	10,262 :	10,062 :	11,800 :	13,137
Imports-----do-----:	2,302 :	2,389 :	2,531 :	3,115
Exports-----do-----:	821 :	805 :	707 :	1,051
Apparent consumption-----do-----:	11,743 :	11,646 :	13,624 :	15,201
Ratio, imports to consumption-----percent--:	20 :	21 :	19 :	20
Ratio, exports to shipments-----do-----:	8 :	8 :	6 :	8
Total employment-----1,000 workers--:	395 :	387 :	421 :	438
Mexico:				
Producers' shipments-----millions of dollars--:	900 :	1,200 :	1,300 :	1,400
Imports-----do-----:	531 :	356 :	1/ 450 :	1/ 500
Exports-----do-----:	54 :	70 :	1/ 77 :	1/ 85
Apparent consumption-----do-----:	1,377 :	1,486 :	1,673 :	1,815
Ratio, imports to consumption-----percent--:	39 :	24 :	27 :	28
Ratio, exports to shipments-----do-----:	6 :	6 :	6 :	6
Total employment-----1,000 workers--:	60 :	75 :	76 :	77

Source: Export and import data compiled from official statistics of the United Nations. All other data estimated by the staff of the U.S. International Trade Commission.

Note.--This sector includes production on SITC categories 722, 725, and 729, which are comparable to ISAC 18 (heavy electrical machinery), ISAC 19 (consumer electronics), and ISAC 22 (non-consumer electronics).

Canada.--The products covered herein are produced in about 1,000 manufacturing establishments located principally in Southeast and South Central Canada. In these establishments, most of which are small (fewer than 100 workers), an estimated 400,000 persons are employed. Many of these establishments are owned in part by foreign corporations.

Canadian apparent consumption of the subject products is estimated to have increased from \$12 billion in 1976 to \$15 billion in 1979. Estimated Canadian shipments for the same years increased from \$10 billion to \$13 billion. Exports amounted to about 8 percent of the value of Canadian shipments and were much lower than the value of imports. The negative trade balance grew from an estimated \$1.5 billion in 1976 to an estimated \$2.1 billion in 1979.

Only a few firms in Canada generate or possess the high technology required to produce the articles covered herein. Much of the technology is acquired from the United States. Although a substantial portion of Canada's labor is skilled, much of the Canadian skilled labor is used in other sectors of the economy which are more active than the electrical and electronic sector. The Canadian industries covered in this sector suffer from increasing costs of raw materials.

The domestic business climate has attracted a substantial amount of investment by U.S. firms. The investment has resulted in significant trade flows between Canada and the United States.

The economic health of the Canadian industry is affected by the slow expansion of the technology base and the size of the domestic market. The industry has yet to overcome a negative trade balance.

Mexico.--The products covered herein are manufactured in more than 100 establishments employing some 30,000 workers. Much of the production is in the North and in the region of Mexico City.

Mexican consumption has increased from an estimated \$1.3 billion to \$1.8 billion during 1976-79, while Mexican shipments increased from an estimated \$900 million to \$1.4 billion. The value of exports amounts to about 6 percent of domestic shipments and is much less than the value of imports. Imports account for nearly one-third of apparent domestic consumption in Mexico.

Mexican firms have not amassed sufficient capital and technology to compete effectively in the production and trade of the products included herein. However, labor is available at low cost. Mexico has most of the raw materials used in this sector but is not self-sufficient in converting products from the raw material to the semifinished state.

The business climate in Mexico has attracted many foreign firms. Many of these firms have located along the Northern border, where low-cost labor is available and the infrastructure is sufficiently advanced for light manufacturing.

This sector of the Mexican economy suffers from the lack of a technological base. However, owing to incentives for investors, foreign firms utilizing Mexican resources have shown considerable progress.

#### Comparison of sectors within each North American country

The United States sector is much larger than the Canadian and Mexican sectors and is much better endowed with technology, capital, and skilled labor. The product quality and price are similar in the three countries.

#### Extent of current North American integration in sector

The electrical and electronics equipment sector is strongly integrated across the U.S., Canadian, and Mexican boundaries and is often regarded as a single sector. Many U.S. firms have invested in both Canada and Mexico, and some Canadian firms have invested in U.S. establishments. Coproduction is frequent. U.S. firms use both drawback provision and TSUS items 806.30 and 807.00 in many of these ventures. The United States, however, is the dominant producer and has the largest market.

### Passenger Automobiles, Trucks, and Buses

#### Sector coverage

The products covered in this sector profile include new passenger automobiles, trucks, and buses. <sup>1/</sup> Included within the truck and bus category are bodies and chassis for these vehicles; however, total production of bodies and chassis that are sold separately make up a very small percentage of total U.S. production when compared with production of completely assembled vehicles. Virtually all of these bodies and chassis are purchased by small manufacturers which produce special-purpose vehicles such as fire engines or cement mixers. Normally, these manufacturers merely purchase a chassis from one of the major U.S. motor-vehicle producers and install a custom-built body on the chassis.

The SIC numbers in this sector include SIC 3711, motor vehicles and passenger car bodies, and SIC 3713, truck and bus bodies. More than 95 percent of the items covered in this sector consists of products in SIC 3711 (automobiles, trucks, buses, and so forth).

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<sup>1/</sup> On June 12, 1980, the United Auto Workers of America (UAW) filed a petition with the International Trade Commission for import relief under section 201(a)(1) of the Trade Act of 1974. On August 4, 1980, the Commission received a petition for similar import relief from the Ford Motor Company. On November 10, 1980, the Commission determined by a 3-to-2 vote that imports of on-the-highway passenger automobiles are not being imported into the United States in such increased quantities as to be a substantial cause of injury, or threat thereof, to the domestic industries producing like or directly competitive articles.

Because of the Automotive Products Trade Act (APTA) <sup>1/</sup> of 1965 entered into by the United States and Canada, the rate of duty on virtually all new automobiles, trucks, and buses imported into each country from the other country is zero. Mexico, however, imposes very strict restrictions upon imported vehicles. In fact, vehicle imports are not allowed, with the exception of a special customs zone near the U.S. border, or imports for the uponpersonal use of U.S. diplomats. In addition, Mexico also imposes a very high local-content requirement for all motor vehicles produced in Mexico. It requires 70 percent local content for automobiles and 80 percent for trucks, and a 5-percent increase for each is planned for 1981. Also, imports of automotive components must be offset by exports.

#### Sector description by country

United States.—There are currently six major U.S. producers of automobiles, trucks, and buses. Five of these producers, including Volkswagen, are headquartered in Detroit, Mich., and the sixth is located in Chicago, Ill. All six of these manufacturers have more than one U.S. plant facility; the largest producer has 36 assembly plants. Total employment in the U.S. automotive industry (producer only) is currently estimated to be about 900,000, with about 700,000 consisting of production and related workers.

During 1976-79, total U.S. apparent consumption of motor vehicles fluctuated between a low of 13.7 million units registered in 1976 to a high of 15.7 million units in 1978. Production of U.S. motor vehicles followed a similar trend, reaching a high of 12.9 million units in 1978 and a low of 11.4 million units in 1976. Exports, however, were at their highest level in 1979, reaching 975,000 units. Imports recorded their highest level in 1978 (3.8 million units), and then declined slightly to 3.7 million units in 1979 (tables III-37 and III-38).

As the use of robotics becomes more prevalent in the automotive industry, it will become more capital intensive, and the average level of skill required to assemble a motor vehicle will tend to increase somewhat since robots tend to replace workers at the lower end of the skill scale. In the component materials use area, the motor-vehicle industry will continue the current trend of replacing heavier materials such as steel and iron with lighter, more expensive materials such as aluminum and plastics. The three major U.S. motor vehicle producers (General Motors Corp., Ford Motor Co., and Chrysler Corp.), which account for more than 90 percent of total U.S. producers' sales, have indicated that they intend to spend between \$35 billion and \$45 billion during 1980-85 to modernize both their motor-vehicle fleets and their plant facilities.

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<sup>1/</sup> The Agreement concerning Automotive Products between the Government of the United States of America and the Government of Canada, signed in 1965 and implemented by the United States through the Automotive Products Trade Act of 1965 (APTA), created the basis for an integrated United States/Canadian automotive industry and market. The agreement has been a great stimulus to trade. U.S. imports of Canadian automotive parts increased from \$231 million in 1965 to \$9.8 billion in 1979, while Canadian imports of U.S. parts rose from \$889 million in 1965 to \$12.3 billion in 1979.

Table III-37.—Automobiles: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Producers' shipments-----1,000 units--:	11,497	12,703	12,899	11,456
Imports-----do-----:	3,084	3,384	3,797	3,691
Exports-----do-----:	881	899	954	975
Apparent consumption-----do-----:	13,700	15,188	15,742	14,172
Ratio, imports to consumption-----percent--:	23	22	24	26
Ratio, exports to shipments-----do-----:	6	6	6	7
Total employment 1/-----1,000 workers--:	889	953	1,003	971
Canada:				
Producers' shipments-----1,000 units--:	1,640	1,775	1,817	1,631
Imports-----do-----:	904	912	899	887
Exports-----do-----:	1,188	1,317	1,326	1,043
Apparent consumption-----do-----:	1,356	1,370	1,390	1,475
Ratio, imports to consumption-----percent--:	67	67	65	60
Ratio, exports to shipments-----do-----:	88	96	95	71
Total employment 1/-----1,000 workers--:	110	115	120	115
Mexico:				
Producers' shipments-----1,000 units--:	325	280	384	444
Imports-----do-----:	1	1	2	1
Exports-----do-----:	4	12	26	24
Apparent consumption-----do-----:	322	269	360	421
Ratio, imports to consumption-----percent--:	2/	2/	2/	2/
Ratio, exports to shipments-----do-----:	1	4	7	6
Total employment 1/-----1,000 workers--:	30	30	35	40

1/ Estimated by the staff of the U.S. International Trade Commission.

2/ Less than 0.5 percent.

Source: United States and Canadian data, Motor Vehicle Manufacturers Association (MVMA); Mexican shipments and export data, MVMA; and import data, compiled from official statistics of the U.S. Department of Commerce, except as noted.

Note.--This sector includes automobiles, trucks, buses, and bodies and chassis for trucks and buses, as covered by SITC categories 3711 and 3713.



Table III-38.--Automobiles: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Producers' shipments <u>1</u> --millions of dollars--:	55,000	67,000	76,000	70,000
Imports-----do-----:	12,000	14,000	17,500	18,000
Exports-----do-----:	3,900	4,200	4,800	5,400
Apparent consumption-----do-----:	63,100	76,800	88,700	82,600
Ratio, imports to consumption-----percent--:	19	18	20	22
Ratio, exports to shipments-----do-----:	6	5	5	7
Total employment <u>1</u> /-----1,000 workers--:	889	953	1,003	971
Canada:				
Producers' shipments <u>1</u> /--millions of dollars--:	7,800	9,300	10,700	9,900
Imports-----do-----:	3,939	4,347	4,723	5,592
Exports-----do-----:	5,328	6,318	7,059	6,248
Apparent consumption-----do-----:	6,411	7,329	8,364	9,244
Ratio, imports to consumption-----percent--:	61	59	56	60
Ratio, exports to shipments-----do-----:	83	86	84	68
Total employment <u>1</u> /-----1,000 workers--:	110	115	120	115
Mexico: <u>1</u> /				
Producers' shipments-----millions of dollars--:	1,500	1,500	2,300	2,700
Imports-----do-----:	<u>2</u> /	<u>2</u> /	<u>2</u> /	<u>2</u> /
Exports-----do-----:	20	66	156	156
Apparent consumption-----do-----:	1,480	1,434	2,144	2,544
Ratio, imports to consumption-----percent--:	<u>3</u> /	<u>3</u> /	<u>3</u> /	<u>3</u> /
Ratio, exports to shipments-----do-----:	1	5	7	6
Total employment-----1,000 workers--:	30	30	35	40

1/ Estimated by the staff of the U.S. International Trade Commission.

2/ Less than \$500,000.

3/ Less than 0.5 percent.

Source: United States and Canadian data, Motor Vehicle Manufacturers Association and compiled from official statistics of the U.S. Department of Commerce, except as noted.

Note.—This sector includes automobiles, trucks, buses, and bodies and chassis for trucks and buses, as covered by SITC categories 3711 and 3713.

During the 1970's there were various laws passed which tended to regulate the U.S. motor-vehicle industry much more than during previous decades. These laws related primarily to pollution control, safety standards, fuel mileage requirements, and damageability standards. However, there have been no new regulations passed recently which will have a significant impact on the domestic industry. In fact, both the executive and legislative branches of the U.S. Government are currently discussing either the relaxation or elimination of some of the current laws which regulate the domestic motor-vehicle industry. In addition, a guaranteed loan was approved by the U.S. Government during 1980 in order to help Chrysler Corp. avoid bankruptcy.

The aggregate net operating profit of U.S. producers on their domestic operations rose from \$1.3 billion in 1975 to \$6.1 billion in 1977, declined to \$5.6 billion in 1978, and then fell to \$1.3 billion in 1979. For July-September 1980, the three major U.S. producers lost a record \$1.65 billion, bringing the losses for January-September 1980 to \$3.5 billion.

Canada.--There are four major motor-vehicle producers located in Canada; all are wholly owned subsidiaries of U.S. motor-vehicle producers. In addition to these four producers, there are three smaller U.S.-owned truck companies that produce a limited number of trucks in Canada and one Swedish automobile manufacturer that assembles automobiles in Canada from imported parts. Total employment in the Canadian motor-vehicle industry is estimated to be about 115,000 workers; however, this does not include workers in the supplier industry.

During 1976-79, total apparent Canadian consumption increased each year, from 1.3 million units in 1976 to 1.5 million units in 1979. Production, however, peaked in 1978 at 1.8 million units, and then declined to 1.6 million units in 1979. Exports also reached their highest level in 1978 (1.3 million units), and then declined significantly to 1.0 million units in 1979. Imports remained relatively constant during the 4-year period, fluctuating between 887,000 and 912,000 units (tables III-37 and III-38).

Because the motor vehicles produced in Canada are similar to those produced in the United States, the same trends in labor, capital investment, raw materials use, and so forth, are occurring simultaneously with those in the United States. (See U.S. sector description.)

The domestic business climate in Canada is also very similar to that of the United States. Canadian motor vehicles have to meet the same basic rules and regulations as those vehicles manufactured in the United States; thus, Government regulation of the industry resembles that of the United States. In addition, because of the extensive cross-border shipments of automobiles and trucks, it would not be financially advantageous to produce vehicles that did not meet the requirements in the country that had the most stringent regulations. Unlike the United States, Canada has discussed duty remission programs with at least one foreign auto manufacturer, and some financial incentives have been proposed by certain Canadian provinces. It should be noted, however, that many State governments in the United States have also proposed or given special financial incentives to foreign firms in the United States.

Because virtually all Canadian motor vehicles are produced by wholly owned subsidiaries of U.S. firms, and Canadian production dropped by almost 10 percent from 1978 to 1979, it is believed that profits on Canadian-built motor vehicles dropped substantially in 1979. However, it is not known if Canadian motor-vehicle producers suffered the large losses that U.S. producers did in 1979.

Mexico.—There are seven automobile manufacturers in Mexico, all of which also manufacture trucks. In addition, there are five smaller truck producers, one large truck producer, and three bus producers. Three major U.S. auto and truck manufacturers (General Motors, Ford, and Chrysler) have production facilities in Mexico, while one Japanese, one French, and one West German firm produce autos and trucks in Mexico. One of the larger truck producers is wholly owned by Mexican interests, while some of the smaller truck producers are either U.S.- or Mexican-owned. Total employment in the Mexican automotive industry is estimated to be about 40,000, which does not include workers employed in the supplier industries.

During 1976-79, total Mexican consumption of motor vehicles fluctuated from a low of 269,000 units in 1977 to a peak of 421,000 units in 1979. Production of motor vehicles in Mexico decreased in 1977 to 280,000 units from 325,000 units produced in 1976, but increased each year thereafter to 444,000 units in 1979. Exports steadily increased each year during 1976-78, rising from 4,000 units in 1976 to 26,000 units in 1978, and then dropping slightly to 24,000 in 1979. Imports remained relatively constant and insignificant, reaching a peak of 2,000 units in 1978, then dropping below 1,000 units in 1979 (tables III-37 and III-38).

Little information is available concerning the Mexican automotive industry, although it is known that the average wage rate is much lower than U.S./Canadian wage rates. The Mexican Government is trying to develop its own motor-vehicle industry; thus, it has very high duty rates and strict limitations on the annual number of motor vehicles that can be imported. Projected expenditures by motor-vehicle manufacturers during the next 2 to 3 years are estimated at about \$2 billion to \$3 billion; this includes expansion of current plants and new plants by producers and also capital expenditures for suppliers not affiliated with the automotive producers. The Mexican Government is also jointly involved with some of the motor-vehicle producers and it wholly owns one large producer.

#### Comparison of sectors within each North American country

The United States is clearly the largest producer of motor vehicles among the three aforementioned countries. In 1976, the United States accounted for 85.5 percent (in units) of the three countries' total motor-vehicle production--Canada, 12.1 percent; and Mexico, 2.4 percent. There was little change in the share of total production by each country from 1976-79; the U.S. share dropped by about 1 percentage point, Canada's remained the same, and Mexico's gained 1 percentage point. With the exception of lower labor and

utility costs in Mexico, the factors concerning motor-vehicle production (state of technology, availability of raw materials, production costs, and so forth) are very similar for all three countries. The relative size (1979 new registrations and total registrations) of the motor-vehicle markets in each country are shown in the following tabulation.

	<u>New</u> <u>registrations</u> <u>(million units)</u>	<u>Total</u> <u>registrations</u> <u>(million units)</u>
United States-----	13.8	148.8
Canada-----	1.3	12.5
Mexico-----	0.4	4.2
Total-----	15.5	165.5

#### Extent of current North American integration in the sector

As previously mentioned in this report, all Canadian firms except one small automobile assembler are wholly owned subsidiaries of U.S. motor-vehicle manufacturers. Of the nine major motor-vehicle producers in Mexico, five are either wholly owned by U.S. firms or jointly owned U.S. and Mexican firms. There is considerable trade in automotive parts between the United States and Canada, primarily because of the United States/Canadian Automotive Agreement that allows duty-free entry of automotive parts that are to be used in the final assembly of motor vehicles. Replacement parts, however, are not subject to APTA; thus, there is much less trade between the United States and Canada concerning replacement parts. Because of high local-content laws and the fact that the value of imported parts must be offset by exports, trade between the United States and Mexico is much more restricted than is trade between the United States and Canada.

The automobiles, trucks, and buses produced in all three countries by the U.S. firms are all essentially the same. Some of the Canadian automobiles have minor cosmetic variances from the U.S.-built models (grills, chrome molding, and others) while many of the Mexican automobiles are similar to current U.S. models and others are models that were assembled in the United States, the production of which has been discontinued.

### Iron and Steel Sector

#### Sector coverage

This sector includes iron and steel in its primary forms such as ingots, blooms, slabs and billets, plates, sheets, strip, bars, rods, wire, and pipes and tubes. These products correspond to SIC Group 67, excluding ferroalloys.

### Sector description by country

United States.—U.S. steel production is concentrated geographically in the Great Lakes region. In 1979, Pennsylvania, Indiana, Ohio, Michigan, and Illinois accounted for 70 percent of U.S. steel production. The top 20 U.S. steel companies account for more than 95 percent of total U.S. steel production. The top four companies account for 55 percent of U.S. production. During 1976-79, U.S. consumption averaged 110.5 million tons, shipments averaged 95 million tons, imports averaged 18.0 million tons, and exports averaged 2.5 million tons (Table III-39). U.S. employment averaged about 450,000 workers.

The U.S. steel industry has large steel-making raw-material reserves, a skilled labor force, and a highly developed transportation system. However, the U.S. industry has not been generating sufficient capital to remain modern and, as a result, about 25 percent of present integrated steel capacity is obsolete. Nonintegrated and specialty steel producers have expanded their capacity with modern electric furnaces and continuous casters.

The long-term economic outlook for the U.S. industry is uncertain. The U.S. economy is mature, and the demand for steel is growing at a very slow rate of about 1 percent annually. Large capital expenditures must be made for mandated and necessary environmental control measures. Government price and wage monitoring has influenced high industry wage settlements, but has also moderated steel price increases, keeping prices from covering longrun costs. These factors have contributed to the industry's current difficulty in maintaining a competitive cost structure and industrial plant.

Antitrust policy continues to discourage mergers which could reduce obsolete capacity and increase efficiency. Internationally, the U.S. continues to be the largest and most open market for imported steel. More modern steel industries in many developing countries may present problems to the U.S. industry both in terms of exports to the United States and in reducing U.S. exports to those countries.

Additional factors concerning the competitive position of the U.S. steel industry are contained in two investigations conducted by the Commission: Conditions of Competition in the Western U.S. Steel Market Between Certain Domestic and Foreign Steel Products (Investigation No. 322-87), USITC Publication 951, March 1979; and Certain Carbon Steel Products from Belgium, The Federal Republic of Germany, France, Italy, Luxembourg, The Netherlands, and The United Kingdom (Determinations of the Commission in Investigation Nos. 731-TA-18-24-, Preliminary), USITC Publication 1064, May 1980.

Canada.—Canadian steel production is concentrated in the Great Lakes province of Ontario. Thirteen integrated iron and steel mills account for almost all of Canadian production. The top three producers account for 85 percent of total production. The Canadian industry produces primarily for its home market. During 1976-79, Canadian consumption averaged 11.4 million tons, shipments averaged 12.2 million tons, imports averaged 1.4 million tons, and exports averaged 2.2 million tons. Canadian employment averaged about 54,000 workers.

Table III-39.—Steel mill products: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Producers' shipments-----millions of dollars--:	89 :	91 :	98 :	100
Imports-----do-----:	14 :	19 :	21 :	18
Exports-----do-----:	3 :	2 :	2 :	3
Apparent consumption-----do-----:	101 :	108 :	117 :	115
Ratio, imports to consumption-----percent--:	14 :	18 :	18 :	15
Ratio, exports to shipments-----do-----:	3 :	2 :	3 :	3
Total employment-----1,000 workers--:	454 :	452 :	449 :	453
Canada:				
Producers' shipments-----millions of dollars--:	11 :	11 :	13 :	14
Imports-----do-----:	1 :	1 :	1 :	2
Exports-----do-----:	2 :	2 :	3 :	2
Apparent consumption-----do-----:	10 :	11 :	12 :	13
Ratio, imports to consumption-----percent--:	11 :	12 :	12 :	15
Ratio, exports to shipments-----do-----:	16 :	19 :	19 :	17
Total employment <u>1/</u> -----1,000 workers--:	54 :	54 :	54 :	54
Mexico:				
Producers' shipments-----millions of dollars--:	6 :	6 :	8 :	8
Imports-----do-----:	2 :	2 :	2 :	2
Exports-----do-----:	<u>2/</u> :	<u>2/</u> :	1 :	<u>2/</u>
Apparent consumption-----do-----:	7 :	7 :	9 :	9
Ratio, imports to consumption-----percent--:	23 :	20 :	18 :	19
Ratio, exports to shipments-----do-----:	3 :	4 :	7 :	5
Total employment <u>1/</u> -----1,000 workers--:	40 :	40 :	40 :	40

1/ Estimated.

2/ Less than 0.5 percent.

Source: United States data, American Iron and Steel Institute; Canada data, Statistics Canada; and Mexico data, Mexico Iron and Steel Chamber of Commerce.

The Canadian steel industry has large steel-making raw material reserves, a skilled labor force, and a highly developed transportation system. Moreover, in contrast to that in the United States, the Canadian steel industry is modern and growing. The world's newest greenfield integrated plant opened in Canada during September 1980. <sup>1/</sup> Located on Lake Erie, the plant has an initial capacity of 1.2 million tons and an ultimate capacity of 12 million tons. This size facility is considered an efficient and competitive world-scale plant.

The long-term economic outlook for the Canadian steel industry is excellent. The Canadian economy is growing, and the demand for steel is increasing at a rate of about 5 percent annually. The industry is generating its investment capital from profits and the 2-year capital-equipment-depreciation allowance permitted under Canadian tax law. The Canadian industry is internationally competitive and has exported an average 17.9 percent of total shipments during 1976-79.

Mexico.--Mexico's steel production is concentrated near the Texas border in the northernmost Mexican State of Coahuila and around Mexico City in Central Mexico. Fifty-five firms account for all of Mexican steel production. The top three producers account for 85 percent. The Government's steel company--Sidermax--controls 58 percent of production. The steel industry of Mexico produces primarily for its domestic needs. During 1976-79, Mexican consumption averaged 8.0 million tons, shipments averaged 6.8 million tons, imports averaged 1.6 million tons, and exports averaged 0.4 million tons. Mexican employment averaged 40,000 workers.

Mexico has adequate iron ore reserves to support an expanded steel industry. However, an inadequate rail system prevents these resources from being fully exploited. The Mexican industry also suffers from an inadequately trained work force, resulting in poor productivity. The steel sector is supplied with low-cost energy by Pemex and the Mexican Energy Commission. These companies supply the steel industry with oil and electricity at prices well below international prices.

The Mexican steel industry will triple in size by 1985, increasing capacity to about 25 million tons. Mexico's steel demand for consumer goods is expanding slowly. Industrial steel demand, particularly for oil country tubular goods <sup>2/</sup> and oilfield related construction projects, surged as a result of major oil discoveries.

The long-term outlook for the Mexican steel industry is unclear. The industry lacks technical expertise and has had serious problems in starting up and operating new steel mills. The Government controls a large part of the industry and keeps steel prices 20-30 percent below the international price level. Mexico's low labor productivity has reduced its steel industry's international competitiveness. The Government controls the level of imports by granting licenses for only essential steel products.

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<sup>1/</sup> Greenfield refers to a completely new integrated facility.

<sup>2/</sup> Types of goods used for exploration and development of new oil and gas sources, such as casing, tubing, and drill pipe.

### Comparisons of sectors within each North American country

In 1979, the U.S. steel industry was about 13 times larger than Mexico's and 9 times larger than Canada's. The United States has a mature economy with slow growth in steel demand. Canada's and Mexico's economies are expanding rapidly as are their steel industries. Canada's industry is very modern and owned by private companies. Mexico's industry is about 60 percent Government-owned and still utilizes older open-hearth steel making for 40 percent of total production. All three countries' steel industries are highly concentrated in terms of geography and numbers of producers.

All three countries clearly have the natural resources to sustain a growing and healthy steel industry. However, only Canada's industry appears to be positioned for efficient economic expansion in the 1980's. Canada's high-grade iron ore reserves, transportation facilities, hydroelectric power, trained work force, and favorable tax policy, together with the rapidly growing Canadian steel demand, will propel its steel industry's expansion. Although new technological breakthroughs will be adopted in the United States by the nonintegrated/specialty steel firms, the U.S. industry will most likely continue to shrink in size, and an increased percentage of U.S. consumption will be met with imported steel. The Mexican industry's growth potential will most likely depend on the degree of assistance provided by its Government.

### Extent of North American integration in the sector

The North American steel sector is not integrated by ownership in the manufacture of steel mill products. Iron ore production in both Canada and the United States is integrated through joint venture companies, whereby U.S. and Canadian firms share ownership interests. There are no foreign ownership interests in Mexican iron or steel companies; likewise, Mexican steel companies do not own companies in the United States or Canada. A limited amount of coproduction trade exists between the United States and Canada, primarily in the conversion of ingots, blooms, slabs, or billets into semifinished products such as sheets and strip. Almost no trade of this type exists between Mexico and Canada or Mexico and the United States. Canada is the United States' largest supplier of imported steel after Japan. During 1976-79, Canada averaged 11 percent of total U.S. imports. During 1976-79, the U.S. supplied about 40 percent of all Canadian steel imports. Canada and Mexico are the most important steel export markets for the United States. More than 80 percent of Mexican iron and steel exports were to the United States. Mexican steel exports to Canada are very small.

## Nonferrous Metals Sector

### Sector coverage

This sector includes data, where available, on establishments engaged in the smelting and refining of nonferrous metals from ore or scrap; in the rolling, drawing, and alloying of nonferrous metals; and in the manufacture of castings and other basic products of nonferrous metals. It is comparable with SIC Group 33, excluding articles related to ferrous metals.



Table III-40.--Aluminum, copper, lead, nickel, and zinc: U.S., Canadian, and Mexican production, imports, exports, apparent consumption, ratio of imports to consumption and exports to shipments, and employment, 1976-79

Country and Item	1976	1977	1978	1979
United States:				
Producers' shipments-----1,000 short tons--:	6,980	7,132	7,513	7,962
Imports-----do-----:	2,046	2,069	2,635	2,008
Exports-----do-----:	278	168	223	295
Apparent consumption-----do-----:	8,748	9,033	9,925	9,675
Ratio, imports to consumption-----percent--:	23	23	27	21
Ratio, exports to shipments-----do-----:	4	2	3	4
Total employment 1/-----1,000 workers--:	42	43	42	43
Canada:				
Producers' shipments-----1,000 short tons--:	2,165	2,566	2,520	2,418
Imports-----do-----:	68	55	46	80
Exports-----do-----:	1,518	1,601	1,957	1,432
Apparent consumption-----do-----:	715	1,020	609	1,066
Ratio, imports to consumption-----percent--:	9	5	8	7
Ratio, exports to shipments-----do-----:	70	62	78	59
Total employment 1/-----1,000 workers--:	46	47	49	48
Mexico: 2/				
Producers' shipments-----1,000 short tons--:	500	504	495	375
Imports-----do-----:	3/	688	334	3/
Exports-----do-----:	197	273	199	3/
Apparent consumption-----do-----:	3/	919	630	3/
Ratio, imports to consumption-----percent--:	3/	75	53	3/
Ratio, exports to shipments-----do-----:	39	54	40	3/
Total employment 4/-----1,000 workers--:	3/	3/	160	165

1/ Estimated from U.S. Bureau of Mines and U.S. Dept. of Commerce data; data for Canada includes employment at rolling mills, etc. and is therefore not comparable to U.S. data which is limited to employment at smelters and refineries.

2/ Aluminum, copper, lead, and zinc.

3/ Not available.

4/ Mine and mill only for total industry.

Source: United States--U.S. Bureau of Mines' Mineral Commodity Summaries, 1980, except as noted; Canada--Producers' shipments, imports, and exports: U.S. Bureau of Mines' Minerals Yearbook; employment, Canadian Department of Energy, Mines, and Resources' Minerals Yearbook; Mexico--U.S. Department of State Airgram A-81.

Note.--Comparable data are not readily available for the total nonferrous metals industries of the U.S., Canada, and Mexico. Data on aluminum, copper, nickel, lead, and zinc are provided for illustrative purposes only and do not necessarily reflect the state of the industries as a whole.

### Sector description by country

United States.--The nonferrous metals sector is composed of about 160 firms with total employment of about 57,000 persons. The broad geographic coverage of these U.S. establishments is largely governed by the availability of ore deposits and power. While the United States is the largest producer and consumer of nonferrous metals (Table III-40), it is also a net importer of these metals owing to limited domestic ore reserves for producing certain metals.

The nonferrous metals industry is highly capital intensive, requires substantial amounts of energy, and is dependent upon the availability of large quantities of ore. While the industry's business environment is relatively free of Government incentives or restrictions, the industry has expended a substantial portion of its total capital budget for pollution-control equipment in recent years. These environmental requirements have contributed to reduced smelting and refining capacity in the lead, zinc, and copper industries. All products in the sector have been affected by the cost and availability of power. The potential for growth in aluminum, the most energy intensive of the nonferrous metals, is particularly uncertain.

The competitive strengths of the U.S. nonferrous metals industry in international commerce include its dominance in a home market which is the world's largest, a world market relatively free of duty restrictions, favorable energy costs relative to those of its foreign competitors, and highly efficient production facilities for certain metals, such as aluminum. Its competitive disadvantages include dependence on foreign ore reserves for certain metals, including manganese and chrome; higher costs of production for certain metals, including copper; higher costs for pollution and safety measures; and marketing practices and incentives available to certain foreign producers.

Canada.--On the basis of the value of nonfuel minerals production, it is estimated that the Canadian nonferrous metals sector is equal to about one-third of the U.S. industry. Canada has a technologically advanced industry, large, established mineral reserves, and is capable of becoming energy self-sufficient owing to its increasing reserves of petroleum and natural gas, and its untapped hydroelectric potential.

Canada is one of the world's largest net exporters of minerals and metals owing in part to its broad and plentiful resource base and the relatively free flow of foreign investment capital into the sector. However, Canada is also dependent upon imports for such key materials as bauxite/alumina, manganese, and chrome. In addition to this resource deficiency, growth has been hampered by labor shortages in remote areas, strikes, high labor turnover, and declining productivity. Further, long hauls from remote processing plants to major intra-country markets and ports require higher transportation costs since Canada's transportation system is more highly developed along coastal and U.S. border areas.

Exploration, mining, and processing of nonferrous metals are principally conducted in the private sector, although Federal and Provincial Crown Corporations, composed of both public and private investment, have been growing in importance. Foreign firms, principally affiliates or subsidiaries of U.S. firms, control about one-half of the nation's mining, smelting, and refining capacity.

Competitive strengths of the Canadian nonferrous metals sector in international commerce includes its extensive resource base; its operating arrangements with other foreign firms, principally large U.S. concerns; and its capability to obtain energy self-sufficiency. Canada's competitive limitations are characterized by dependence upon imports for certain of the nonferrous metals and on the health of the economies of the United States and the EEC for its strong export market.

Mexico.---The nonferrous metals sector in Mexico is substantially smaller than that of Canada and is principally composed of small to medium-sized firms. It is the world's largest producer of silver and a leading producer of lead and zinc.

The nonferrous metals sector is highly supported by the Government of Mexico, which provides the bulk of the industry's investment capital and restricts foreign investment. Industry development has also been hampered by taxation policy. The industry is taxed in addition to the standard corporate income tax; however, these taxes were substantially reduced after 1977. Although Mexico must import substantial quantities of minerals and metals, its balance of trade is favorable, primarily because of its exports of silver.

Competitive strengths of the Mexican nonferrous metals sector in international commerce include its potentially large reserves, Government support and subsidy of the industry, and substantial energy resources. Mexico's competitive limitations include a lack of foreign investment capital, an underdeveloped industry infrastructure, and a dependence upon the export of relatively few metals.

#### Comparison of sectors within each North American country

The U.S. and Canadian nonferrous metals sectors are relatively mature. Both have substantial raw materials resources, advanced equipment and technology in place, access to substantial amounts of investment capital, both domestic and foreign, and extensive transportation and port facilities. Similarly, both are highly dependent upon imports for certain key metals which are commercially and strategically significant. The Mexican nonferrous metals sector is small and underdeveloped when compared with that of the United States and Canada, and is based upon a relatively few metals. Development of the industry has been hindered by taxation, a lack of advanced technology and expertise, an inadequate infrastructure, and the Government policy toward foreign investment capital.

Extent of current North American integration in the sector

The United States, Canada, and Mexico are unable to supply totally their own needs, either individually or collectively, in certain of the nonferrous metals. The United States and Canada are highly integrated in terms of ownership and trade. U.S. operations own about 50 percent of Canadian nonferrous metals industries, and each country is the others largest trading partner. In addition, the United States is the largest recipient of Mexico's exports. Trade between Canada and Mexico is negligible.

## CHAPTER IV

## PATTERNS OF MERCHANDISE TRADE OF NORTH AMERICAN COUNTRIES

U.S. Trade With Canada, Mexico, and Other  
Countries of North AmericaAggregate trade flows

In January-September 1980, trade with countries in North America accounted for \$89 billion, or 26 percent of the total trade turnover (exports plus imports) of the United States. The corresponding figure for 1960 was 27 percent, and for 1970 it was 32 percent. North America accounted for a slightly higher percentage of U.S. imports (26.5 percent) than of exports (25.4 percent) during January-September 1980; this relationship has prevailed throughout 1960-80 (tables IV-1 and IV-2).

Canada has been the United States' leading trading partner throughout this period and has accounted for more than two-thirds of the total trade with North America. Mexico's share of U.S. trade with the region from 1960 to 1970 was about 12 percent, but has been increasing rapidly during the 1970's, and reached 22 percent during January-September 1980. No other country in the region approaches Canada and Mexico in importance to U.S. trade. 1/

In terms of worldwide ranking of U.S. trading partners, only Canada and Mexico are among the top 20. During 1980, Mexico became the third largest trading partner of the United States, overtaking West Germany and the United Kingdom. Canada's share of U.S. trade shrank substantially. Table IV-3 also shows that the European Economic Community (EEC), if considered as a single trading partner, would easily surpass Canada and would approach the North American region in its importance to U.S. trade. 2/

The U.S. merchandise trade balance with the North American region was positive during the 1960's, but has been in deficit during the 1970's, with the negative balance growing rapidly since 1975. The shift from surplus to deficit was accounted for by trade with Canada and with the Caribbean area, mainly due to the rapid growth of U.S. imports of mineral fuels from these sources.

Trade by broad categories

Tables IV-4 through IV-6 show the composition of U.S. trade with North America and the world by groupings of Standard International Trade Classification (SITC) commodity sectors. U.S. export trade with North America

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1/ The Caribbean as a whole exceeded Mexico as a supplier of imports--mostly petroleum--in 1975, and Central America was a slightly larger supplier of imports than Mexico in the early 1960's.

2/ This is particularly so with regard to exports: the EEC took 25.1 percent of U.S. exports in Jan.-Sept. 1980 versus 25.4 percent exported to North America. 127

Table IV-1.--U.S. general imports, domestic and foreign merchandise exports, and trade balances with North America, by principal North American countries and regions 1960, 1965, 1970, 1975, and January-September 1980

(In millions of dollars)					
Item	1960	1965	1970	1975	Jan.-Sept. 1980
Exports					
North America-----	5,263.8	7,741.9	12,371.2	30,049.4	41,347.2
Canada-----	3,809.8	5,642.8	9,083.8	21,758.9	26,206.3
Mexico-----	831.4	1,105.9	1,703.7	5,143.6	10,613.5
Central America <u>1</u> /:	311.7	519.2	644.0	1,311.4	1,997.6
Caribbean <u>2</u> /-----	310.9	474.0	939.7	1,835.5	2,529.8
All other-----	15,311.8	19,736.3	30,855.2	77,602.4	121,249.7
Total-----	20,575.6	27,478.2	43,226.4	107,651.8	162,596.9
Imports					
North America-----	4,066.8	6,573.0	13,971.6	30,567.3	47,565.9
Canada-----	2,900.8	4,831.9	11,091.1	21,746.7	29,973.2
Mexico-----	443.3	638.4	1,222.4	3,058.6	9,311.7
Central America <u>1</u> /:	516.4	756.9	497.5	1,052.7	1,688.3
Caribbean <u>2</u> /-----	206.3	345.8	1,160.6	4,709.3	6,592.7
All other-----	10,587.1	14,792.6	25,991.6	65,573.1	132,155.9
Total-----	14,653.9	21,365.6	39,963.2	96,140.4	179,721.8
Trade balance					
North America-----	1,197.0	1,168.9	-1,600.4	-517.9	-6,218.7
Canada-----	908.0	810.9	-200.7	12.2	-3,766.9
Mexico-----	388.1	467.5	481.3	2,085.0	1,301.8
Central America <u>1</u> /:	-204.7	-237.7	146.5	258.7	309.3
Caribbean <u>2</u> /-----	104.6	128.2	-220.9	-2,873.8	-4,062.9
All other-----	4,724.7	4,943.7	4,863.6	12,029.3	-10,906.2
Total-----	5,921.7	6,112.6	3,263.2	11,511.4	-17,124.9

1/ Guatemala, Belize, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama.

2/ Haiti, the Dominican Republic, Bermuda, the Bahamas, Jamaica, Leeward and Windward Islands, Barbados, Trinidad and Tobago, the Netherland Antilles, and French West Indies.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Because of rounding, figures may not add to the totals shown.

Table IV-2.--Share of U.S. domestic and foreign merchandise exports to and general imports from North America, principal North American countries and regions, 1960, 1965, 1970, 1975, and January-September 1980

(In percent)					
Item	1960	1965	1970	1975	Jan.-Sept. 1980
Exports					
North America-----	25.6	28.2	28.6	27.9	25.4
Canada-----	18.5	20.5	21.0	20.2	16.1
Mexico-----	4.0	4.0	3.9	4.8	6.5
Central America <u>1</u> /-----	1.5	1.9	1.5	1.2	1.2
Caribbean <u>2</u> /-----	1.5	1.7	2.2	1.7	1.6
All other-----	74.4	71.8	71.4	72.1	74.6
Total-----	100.0	100.0	100.0	100.0	100.0
Imports					
North America-----	27.7	30.8	35.0	31.8	26.5
Canada-----	19.8	22.6	27.8	22.6	16.7
Mexico-----	3.0	3.0	3.1	3.2	5.2
Central America <u>1</u> /-----	3.5	3.5	1.2	1.1	.9
Caribbean <u>2</u> /-----	1.4	1.6	2.9	4.9	3.7
Other-----	72.2	69.2	65.0	68.2	73.5
Total-----	100.0	100.0	100.0	100.0	100.0

1/ Guatemala, Belize, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama.

2/ Haiti, the Dominican Republic, Bermuda, the Bahamas, Jamaica, Leeward and Windward Islands, Barbados, Trinidad and Tobago, the Netherland Antilles, and French West Indies.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Because of rounding, figures may not add to the totals shown.

Table IV-3.--U.S. trade with the world and with leading trading partners,  
by trading partners, 1979 and January-September 1980

U.S. trading partner	1979			January-September 1980		
	Value	Share of U.S. trade	Country rank	Value	Share of U.S. trade	Country rank
	<u>Million</u> <u>dollars</u>	<u>Percent</u>		<u>Million</u> <u>dollars</u>	<u>Percent</u>	
Total-----	389.0	100.0	-	342.7	100.0	-
Canada-----	71.0	18.3	1	55.9	16.3	1
Japan-----	42.5	10.9	2	38.4	11.2	2
West Germany-----	19.7	5.1	3	17.6	5.1	4
United Kingdom-----	18.7	4.8	4	16.9	4.9	5
Mexico-----	18.6	4.8	5	19.9	5.8	3
France-----	10.5	2.7	6	9.7	2.8	7
Saudi Arabia-----	10.2	2.6	7	13.7	4.0	6
EEC-----	76.5	19.7	-	68.3	19.9	-
North America-----	103.2	26.2	-	88.9	25.9	-

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Because of rounding, figures may not add to the totals shown.



Table IV-4.--U.S. exports to the world and to North American countries,  
by specified areas and by years, 1967, 1970, 1975, and 1979

(In millions of dollars)				
Area/year	Agriculture and raw materials	Mineral fuels	Manufactures	Total
World:				
1967-----	8,331	1,104	20,769	31,147
1970-----	10,156	1,595	29,370	42,590
1975-----	27,520	4,470	70,969	106,102
1979-----	46,778	5,624	117,105	173,645
North America:				
1967-----	1,186	326	7,631	9,325
1970-----	1,641	379	9,559	12,028
1975-----	3,535	1,119	23,899	29,454
1979-----	5,434	1,814	37,070	45,611
Canada:				
1967-----	838	246	5,836	7,033
1970-----	1,111	271	7,135	8,787
1975-----	2,011	871	17,882	21,296
1979-----	2,945	1,528	25,828	31,218
Mexico:				
1967-----	138	59	963	1,190
1970-----	265	67	1,265	1,672
1975-----	871	218	3,783	5,058
1979-----	1,429	224	7,573	9,445
Central America:				
1967-----	67	9	402	488
1970-----	88	10	510	639
1975-----	216	14	1,001	1,293
1979-----	329	38	1,788	2,202
Caribbean <sup>1/</sup>				
1967-----	144	13	430	614
1970-----	178	31	649	930
1975-----	437	16	1,232	1,807
1979-----	730	24	1,882	2,747
Other:				
1967-----	7,145	778	13,138	21,822
1970-----	8,515	1,216	19,845	30,598
1975-----	23,985	3,350	47,108	76,687
1979-----	41,344	3,809	80,035	128,033

<sup>1/</sup> Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

Source: Compiled from official statistics of the United Nations.

Table IV-5.--U.S. imports from the world and from North American countries, by specified sources and by years, 1967, 1970, 1975, and 1979

(In millions of dollars)

Area/year	Agriculture and raw materials	Mineral fuels	Manufactures	Total
World:				
1967-----	7,787	2,250	15,718	26,816
1970-----	9,696	3,075	25,907	39,952
1975-----	15,888	26,404	52,098	96,903
1979-----	30,710	63,735	119,563	217,455
North America:				
1967-----	2,902	1,067	4,618	9,058
1970-----	3,836	1,695	7,828	13,966
1975-----	6,245	8,620	14,955	30,967
1979-----	12,524	13,638	28,656	56,395
Canada:				
1967-----	1,778	542	4,383	7,099
1970-----	2,325	1,000	7,273	11,092
1975-----	3,696	4,709	12,855	22,151
1979-----	7,762	5,482	24,023	38,458
Mexico:				
1967-----	470	66	164	749
1970-----	688	61	399	1,219
1975-----	832	371	1,685	3,067
1979-----	1,855	3,162	3,690	8,994
Central America:				
1967-----	355	6	9	376
1970-----	466	12	11	498
1975-----	859	81	76	1,040
1979-----	1,987	5	273	2,301
Caribbean 1/				
1967-----	299	454	62	835
1970-----	358	621	146	1,157
1975-----	858	3,459	340	4,710
1979-----	920	4,989	670	6,642
Other:				
1967-----	4,885	1,183	11,100	17,757
1970-----	5,882	1,380	18,080	26,009
1975-----	9,714	17,784	37,142	66,008
1979-----	18,186	50,097	90,906	161,061

1/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

Source: Compiled from official statistics of the United Nations.

Table IV-6.--U.S. trade balances with the world and with North American countries, by specified areas and by years, 1967, 1970, 1975, and 1979

(In millions of dollars)				
Area/year	Agriculture and raw materials	Mineral fuels	Manufactures	Total
World:				
1967-----	679	-1,127	5,282	4,718
1970-----	630	-1,379	3,823	3,272
1975-----	11,952	-21,922	20,019	10,688
1979-----	16,678	-58,052	-8	-40,682
North America:				
1967-----	-1,646	-723	3,078	421
1970-----	-2,097	-1,216	1,851	-1,619
1975-----	-2,525	-7,494	9,257	-1,005
1979-----	-6,682	-11,774	9,145	-9,592
Canada:				
1967-----	-880	-296	1,505	47
1970-----	-1,130	-633	-41	-2,027
1975-----	-1,520	-3,832	5,252	-459
1979-----	-4,437	-3,908	2,308	-6,309
Mexico:				
1967-----	-325	10	804	474
1970-----	-411	9	881	484
1975-----	53	-153	2,165	2,073
1979-----	-407	-2,936	4,042	631
Central America:				
1967-----	-288	4	397	117
1970-----	-377	-2	502	144
1975-----	-643	-66	933	262
1979-----	-1,655	33	1,552	-59
Caribbean 1/				
1967-----	-154	-441	371	-217
1970-----	-178	-590	509	-220
1975-----	-415	-3,443	907	-2,881
1979-----	-182	-4,964	1,243	-3,855
Other:				
1967-----	2,325	-404	2,203	4,297
1970-----	2,704	-163	2,006	4,904
1975-----	14,406	-14,428	10,799	11,660
1979-----	23,360	-46,278	-9,153	-31,090

1/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

Source: Compiled from official statistics of the United Nations.

is much less weighted toward agriculture and raw materials than are exports outside the region. In 1979, these items accounted for only 12 percent of U.S. exports to North America versus 27 percent of exports to other destinations. Since mineral fuel exports both within and outside North America were less than 4 percent of the total, U.S. manufactures sales to the region have made up the difference, accounting for more than 80 percent of exports in 1979 versus 68 percent of exports outside North America. About one-third of total U.S. manufacturing exports have gone to North America since 1967; only about 13 percent of total U.S. agriculture and nonfuel raw materials exports went to the region over the same period.

Regarding imports, value trends have been dominated by the rise in importance of mineral fuels. From 1967 to 1979, mineral fuels as a share of total imports from all sources rose from 7 percent to 31 percent. Most of the decline in the share of other imports was attributable to the agriculture and raw materials sector, which fell from 29 percent to 14 percent. Manufactured imports lost some of their importance, declining from 59 percent to 55 percent of total U.S. imports in 1979. <sup>1/</sup> U.S. imports from North America generally followed those trends, but the change in composition of imports was less dramatic. The share of manufactures held nearly steady from 1967 to 1979 at just over 50 percent, and both the decline in agriculture and raw materials, from 32 percent to 22 percent, and the rise in the share of fuels, from 12 percent to 24 percent, were significantly less than for imports from outside the region.

Within North America, there were considerable differences in the changes over the period in composition of shipments to the United States. The share of manufactures in imports from Mexico almost doubled from 21 percent to 41 percent, at the same time that mineral fuels increased from a share of 9 to 35 percent. Agriculture and raw-materials shipments declined sharply in importance, from 63 to 21 percent. The proportion of mineral fuels in U.S. imports from the Caribbean, already 54 percent in 1967, increased to 75 percent. Central America moved slightly away from almost exclusive dependence on agriculture and raw materials by increasing the proportion of manufactures shipments to the United States from 2 to 12 percent in 1979.

In terms of its position as a supplier to the United States during 1967-79, North America lost ground in manufactures (from about 30 percent of total U.S. imports to 24 percent), gained slightly in agriculture and raw materials (from 37 percent to 41 percent), and dropped precipitously in mineral fuels (from 47 percent to 21 percent). Mexico's performance stands out in contrast: its share of U.S. imports of manufactures increased from 1 to 3 percent, mineral fuels grew from 3 to 5 percent, and agriculture and raw materials stayed at 6 percent.

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<sup>1/</sup> It should be borne in mind that a large portion of the shift in the value of trade toward fuels and away from raw materials, has been due to changes in relative prices, with raw materials prices failing to keep up with large increases in the price of petroleum, and to a lesser extent, of manufactures.

Trade balances with North America by broad categories are strikingly different from those with the rest of the world. Though in both cases the United States has a persistent and rapidly growing deficit in mineral fuels, the deficit/surplus position is reversed for manufactures and for agriculture and raw materials. Table IV-6 shows that for North America in 1979, a deficit on agriculture and raw materials (principally in raw materials with Canada) was more than offset by a surplus in manufactures (almost half of which was accounted for by Mexico). With the rest of the world, the United States slipped sharply from surplus to deficit on manufactures <sup>1/</sup> from 1975 to 1979, while increasing a historical surplus on agricultural goods and raw materials.

#### Trade by detailed categories

Appendix tables A-1 through A-38 show leading items in U.S. exports to and imports from individual North American countries in 1979. For countries other than Canada and Mexico, a large proportion of total U.S. imports are accounted for by 40 or fewer TSUS items.

#### Relative Importance of Intraregional and Extraregional Trade in North America

#### Overall trends

In the aggregate, the proportion of intraregional trade in the total trade of North American countries was 37 percent in 1979 and was moving down from the 43 percent observed in 1970 (table IV-7). Within this overall figure, however, there is a large disparity among the three major economies of the region. The United States (which accounted for two-thirds of the total trade of North America in 1975 <sup>2/</sup> and is therefore heavily weighted in the overall figures) has been dependent on North America for only about 30 percent of exports and imports, and this dependence has been falling. Both Canada and Mexico have been dependent on regional trade for nearly 70 percent of their total trade, and their dependence was, if anything, rising in 1979, in spite of the fact that both countries have a stated trade policy objective of "diversification of export markets and sources of supply." <sup>3/</sup> Moreover, the above trends hold true when the mineral fuels sector is excluded from the calculations.

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<sup>1/</sup> The negative shift of almost \$20 billion from 1975 to 1979 occurred in all manufacturing SITC commodity sections except section 5 (Chemicals), which improved on balance by \$5 billion.

<sup>2/</sup> The most recent year for which data for the Caribbean and Central America were compiled.

<sup>3/</sup> Accession of Mexico: Memorandum on Foreign Trade Regime, GATT Doc. L/4793/Rev. 1, May 11, 1979. Diversity in trade relations is also regarded as a key element in Canada's pursuit of the so-called "third option" for trade policy, first put forward by Mitchell Sharp, then Canada's Secretary of State for External Relations, in a 1972 article.

Table IV-7.--Total trade (exports plus imports) and regional share of world trade, for North America and selected North American countries and regions, by specified areas and by years, 1967, 1970, 1975, and 1979

Area and year	Value			Share of world trade		
	World	North America	Other	World	North America	Other
	Millions of dollars			Percent		
North America:						
1967	81,926.2	34,908.7	47,013.9	100.0	42.6	57.4
1970	124,023.6	53,444.8	70,627.6	100.0	43.1	56.9
1975	309,399.7	124,356.0	185,149.0	100.0	40.2	59.8
1979	522,537.8	193,748.0	328,789.9	100.0	37.1	62.9
United States:						
1967	58,349.4	18,537.5	39,810.4	100.0	31.8	68.2
1970	83,175.6	26,313.0	56,921.6	100.0	31.6	68.4
1975	204,495.0	60,929.9	143,676.0	100.0	29.8	70.3
1979	394,229.1	103,197.1	291,032.1	100.0	26.2	73.8
Canada:						
1967	20,805.3	14,554.1	6,250.0	100.0	70.0	30.0
1970	29,533.4	20,525.0	9,008.4	100.0	69.5	30.5
1975	66,254.2	45,096.2	21,158.1	100.0	68.1	31.9
1979	107,738.7	76,544.9	31,193.8	100.0	71.0	29.0
Mexico:						
1967	2,771.5	1,817.1	953.5	100.0	65.6	34.4
1970	3,666.1	2,534.9	1,131.3	100.0	69.1	30.9
1975	9,431.4	5,994.4	3,437.0	100.0	63.6	36.4
1979	20,570.0	14,006.0	6,564.0	100.0	68.1	31.9
Central America: 1/						
1970	2,786.2	1,732.0	1,051.7	100.0	62.2	37.7
1975	6,419.9	3,624.9	2,792.1	100.0	56.5	43.5
Caribbean: 2/						
1970	4,862.3	2,339.8	2,514.7	100.0	48.1	51.9
1975	22,799.2	8,710.8	14,085.8	100.0	38.2	61.8

1/ Guatemala, Belize, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama.

2/ Haiti, the Dominican Republic, Bermuda, the Bahamas, Jamaica, Leeward and Windward Islands, Barbados, Trinidad and Tobago, the Netherlands Antilles, and French West Indies.

Source: Compiled from official statistics of the United Nations and the Direction of Trade Yearbook of the International Monetary Fund.

It may also be seen in appendix tables B-22 and B-33 that the dependence of Mexico and Canada on trade with the North American region is, in fact, almost entirely due to their trade with the United States. Mexico's trade with North America other than the United States was only 4.4 percent of its world total in 1977, equal to its trade with Japan and less than its trade with either the EEC or South America. Mexico's trade with Canada was only 2.2 percent of its total trade. Canada, similarly, relied on Mexico for only 0.3 percent of its foreign trade in 1979, and on North America less the United States for only 1.0 percent.

#### Comparison with the EEC

The EEC, which shares with the North American region the characteristic of geographic proximity of its constituent countries, offers an interesting case for comparison on the measure of trade dependence. Since the EEC is a customs union <sup>1/</sup> and since economic and political integration have been actively pursued since World War II, a high degree of intra-EEC trade dependence might be expected. On the other hand, the greater similarities of the European economies as compared with those of North America, in terms of wage levels, natural resource endowments, and so forth, implies a greater need for trade with complementary economies outside the region. This should impose some limits on the growth of the intraregional share of total EEC trade. In fact, as table IV-8 indicates, the intraregional trade dependence of the EEC is somewhat higher than that of the North American region.

Table IV-8 also illustrates a difference between the North American region and the EEC with respect to the balance of trade dependence within the regions. All but one of the major EEC states <sup>2/</sup> are within a few percentage points of the EEC average level of intraregional trade dependence. Also, the share of total EEC trade accounted for by the largest member state (West Germany) is only 28 percent, much less than the two-thirds share of North American trade attributable to the United States.

#### Limits on further North American trade integration

Two things are apparent from the aggregate data on North American trade. First, Mexico and Canada are already at a very high level of dependence on regional trade, and particularly on bilateral trade with the United States.

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<sup>1/</sup> A customs union is formed by the elimination of trade barriers between two or more countries while maintaining them against the rest of the world. The difference between a customs union and a free-trade area is that in a customs union it is necessary to agree on a common tariff nomenclature or schedule and identical tariff rates, whereas the countries in a free-trade area maintain their own tariffs against outsiders while scrapping duties among themselves.

<sup>2/</sup> The United Kingdom only joined the EEC in 1973 and has strong historical trade ties to the United States and to the Commonwealth countries.

Table IV-8.—Total trade of the European Economic Community (EEC)  
and of selected EEC countries, shares of total EEC trade,  
and shares of intra-EEC trade in trade with the world, by  
countries, 1979

EEC total and country	World	Ratio of country: trade to EEC world trade	EEC	Ratio of Intra- EEC trade to trade with the world
Total, EEC-----	1,172.3	100.0	611.7	52.2
West Germany-----	329.1	28.1	159.8	48.6
France-----	204.7	17.5	105.2	51.4
United Kingdom-----	193.1	16.5	82.4	42.7
Italy-----	148.4	12.7	70.0	47.2

Source: Compiled from official statistics of the United Nations.



There appears to be little scope for a further increase in the share of these countries' markets taken by U.S. exports, and at current levels of total exports, Canada and Mexico could not raise their shares of the U.S. market appreciably even if all their exports were sold in the U.S. This observation leads to the second point: to raise the level of aggregate trade integration in North America requires the enlargement of the foreign trade sectors of Canada and Mexico. This can be accomplished by raising the shares of the two countries' total economic activity that is involved in international trade or by raising their levels of economic activity. For Canada, the former option is limited; in 1979, the ratio of trade to GNP was already 57 percent. <sup>1/</sup> For Mexico, this ratio has been rising, and reached 24 percent in 1979, while the U.S. ratio stood at 19 percent in that year.

#### Trade dependence by sector

Appendix tables B-1 through B-33 show trade of the three major North American countries for selected years from 1967 to 1979, <sup>2/</sup> by major commodity groups and for total trade. The data extracted in table IV-9 highlight the dependence of Canada and Mexico on the United States as a supplier and as a market.

#### Exchange Rates

##### Canada

In 1969 the Canadian dollar was "cut away" from a managed float, where it had been maintained at approximately 90 percent of par with the U.S. dollar (fig. IV-1). Allowed to float freely, the Canadian dollar continuously strengthened against the U.S. dollar until 1972, and fluctuated just below par value with the U.S. dollar between 1972 and 1976.

Official efforts taken in the mid-seventies to assist Canadian industry weather the effects of the U.S. recession (14 percent of total Canadian GNP is represented by trade with the United States) resulted in a serious Federal budget deficit. This, in turn, gave rise to large current account deficits resulting in a broad depreciation (up to 17.2 percent in 1979) of the Canadian dollar vis-a-vis the U.S. dollar.

During January-June 1980, reluctance on the part of the Bank of Canada to follow U.S. interest rates up has caused an outflow to the United States of short-term funds. This has greatly reduced the liquidity necessary to finance the current account and has continued to have an adverse effect on the Canadian-U.S. dollar exchange rate.

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<sup>1/</sup> Exports plus imports divided by Gross National Product (GNP) (GDP for Mexico). Data from International Monetary Fund, International Financial Statistics.

<sup>2/</sup> For Mexico, trade by commodity was unavailable after 1977.

Table IV-9.—Ratio of Mexican and Canadian trade with the United States to their total trade with the world, by SITC sections, for specified periods

(In percent)					
SITC Section	Mexico <u>1/</u>		Canada <u>2/</u>		
	Imports	Exports	Imports	Exports	
0 Food and live animals-----	74	79	55		26
1 Beverages and tobacco-----	16	84	14		74
2 Crude materials excluding	65	40	76		50
fuels.	65	40	76		50
3 Mineral fuels, etc-----	68	90	39		85
4 Animal and vegetable oils and	85	68	54		6
fats.					
5 Chemicals-----	60	41	74		66
6 Basic manufactures-----	49	56	63		74
7 Machines and transportation	56	36	87		84
equipment.					
8 Miscellaneous manufactured	35	46	56		65
goods.					
9 Goods not classified by kind—	27	53	57		80

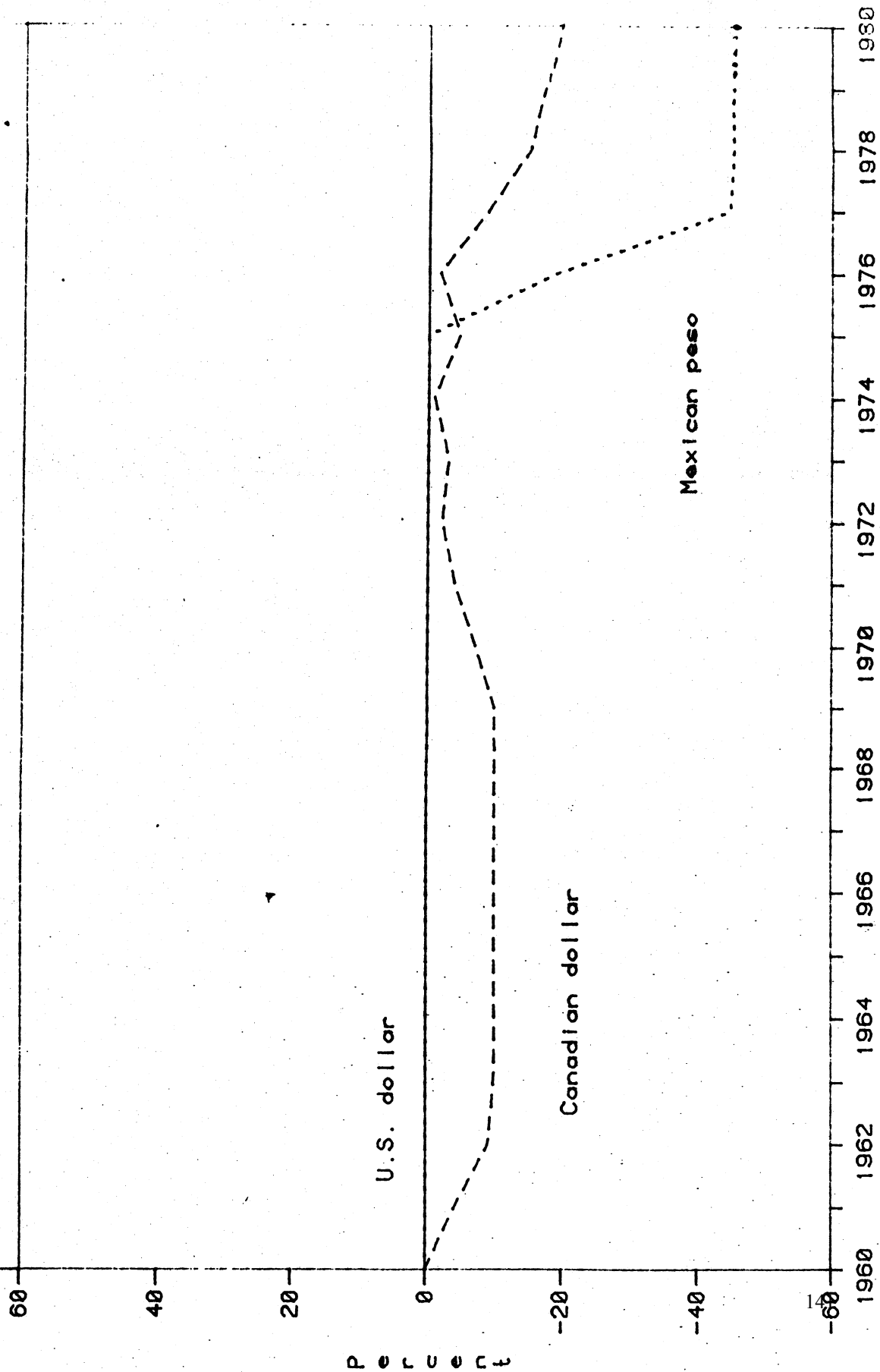
1/ Data for 1977.

2/ Data for 1979.

Source: Compiled from official statistics of the United Nations.

Figure IV-1

Canadian and Mexican exchange rates versus the U.S. dollar  
Percent difference versus rates in 1960



## Mexico

In 1976, Mexico abandoned the fixed exchange-rate policy which it had adopted in 1954. Prompted by a serious balance-of-payments deficit position as a result of excessive rates of inflation relative to those of its major trading partners, the Mexican peso was allowed to float, and it depreciated approximately 45 percent against the U.S. dollar by the end of 1977. Since that time, the peso has remained quite stable as petroleum exports have greatly expanded and provided a cushion for Mexico's trade deficits. Nevertheless, Mexico continues to suffer relatively high rates of inflation, a poor trading position, and current account deficits.

## Central America

All Central American currencies are pegged to the U.S. dollar (table IV-10). Belize, the only nonmember of the International Monetary Fund (IMF), is also the only Central American member of the Caribbean Common Market (CARICOM). 1/ Of the remaining six Central American countries, only Panama is not a member of the Central American Common Market (CACM). 2/

## Caribbean countries

As shown in table IV-11, with the exception of the French West Indies, all currencies of the Caribbean countries defined in this study are officially pegged to the U.S. dollar. Only Bermuda and the French West Indies are not members of the International Monetary Fund (IMF), while only Barbados, Jamaica, and Trinidad and Tobago are members of the Caribbean Common Market (CARICOM).

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1/ The Caribbean Community and Common Market (CARICOM) was formed by the Treaty of Chaguaramas in 1973, with Barbados, Belize, Guyana, Jamaica, Leeward and Windward Islands, and Trinidad and Tobago as members. Formed to facilitate economic integration by means of the Caribbean Common Market, it provides for coordination of development planning, establishment of a common external tariff, an integrated system of fiscal incentives to industry, and double taxation arrangements between the richer and poorer countries. The work of the community was halted between 1976 and July 1978 because of several disputes among member nations. In July of 1978 the organization resumed activity and set the level of local added-value which would entitle goods to preferential treatment within the CARICOM market.

2/ The Central American Common Market (CACM) entered into force in June of 1961 under the aegis of the Organization of Central American States (ODECA). Its members are Costa Rica, Guatemala, El Salvador, and Nicaragua. Honduras is considered a de jure member since it suspended membership in the Common Market in 1970. CACM seeks the eventual elimination of all external tariffs and barriers between members and the establishment of a common external tariff. Currently all external tariffs have been harmonized with the exceptions of petroleum and petroleum products (crude and semi-refined), motor vehicles, electric refrigerators, gold, silver, and bank notes. Costa Rica imposes a surcharge on the common external tariff. CACM envisions the creation of a common customs administration, unified fiscal policy, a regional industrial strategy and coordinated regional policies in public health, labor, education, transportation, and agriculture.

Table IV-10.--Official Central American currencies, intervention currencies, and peg rates, 1980

Country	Official currency	Intervention currency	Peg rate	Notes
Belize-----	Belizean dollar	U.S. dollar	BZ\$2=US\$1	Member CARICOM Not member of the IMF. British dependent territory.
Costa Rica---	Costa Rican colon	U.S. dollar	¢8.57=US\$1	Member of CACM
El Salvador---	Salvadoran colon	U.S. dollar	¢2.50=US\$1	Member of CACM
Guatemala----	Guatemalan quetzal	U.S. dollar	Q 1=US\$1	Member of CACM
Honduras-----	Honduran lempira	U.S. dollar	L 2=US\$1	Member of CACM
Nicaragua----	Nicaraguan	U.S. dollar	C 10=US\$1	Member of CACM
Panama-----	Panamanian balboa	U.S. dollar	B 1=US\$1	U.S. dollar is legal tender and circulates concurrently.

Source: International Monetary Fund, Annual Report on Exchange Arrangements and Exchange Restrictions, 1980, Washington, D.C. 1980.

Table IV-11. Official Caribbean currencies, intervention currencies, and peg rates, 1980

	Official currency	Intervention currency	Peg rate	Notes
Bahamas-----	Bahamian dollar	U.S. dollar	B\$1=US\$1	U.S. dollar is legal tender and circulates concurrently.
Barbados-----	Barbados dollar	U.S. dollar	BDS\$2=US\$1	Member of CARICOM
Bermuda-----	Bermuda dollar	British pound sterling	B\$1=US\$1	Not member of the IMF British dependent territory. U.S. dollar circulates freely.
Dominican Republic---	Dominican peso	U.S. dollar	RD 1=US\$1	
French West Indies-----	French franc	<u>1/</u>	<u>1/</u>	Not member of the IMF French overseas possession
Haiti-----	Haitian gourde	U.S. dollar	G 5=US\$1	U.S. dollar is legal tender and circulates concurrently.
Jamaica-----	Jamaican dollar	U.S. dollar	J\$1.78=US\$1	Member of CARICOM
Netherlands Antilles---	Netherlands Antilles guilder	U.S. dollar	Ant.f. 1.79 = US\$1	
Trinidad and Tobago-----	Trinidad and Tobago dollar	U.S. Dollar	TT\$2.4=US\$1	Member of CARICOM

1/ Not applicable.

Source: International Monetary Fund, Annual Report on Exchange Arrangements and Exchange Restrictions, 1980, Washington, D.C.

## Growth Areas in North American Exports, 1973-79

This section is based on a review of export data of North American countries at a detailed level (2- and 3-digit SITC classifications) for 1973-1979. <sup>1/</sup> The following are assessments of the most significant export growth areas that were identified.

Petroleum

The major North American export development in the petroleum sector has been the significant increase in crude-petroleum exports from Mexico to the United States. These exports increased more than 100 percent per year between the years 1973 and 1977, from \$20 million in 1973 to \$821 million in 1977. The reasons for this growth are the significant new Mexican crude-petroleum resource discoveries, large increases in Mexican crude-petroleum production, Mexican requirements for revenue and foreign currencies, the U.S. requirement for crude-petroleum imports, the desire of the U.S. Government to seek secure sources of supply, the close proximity of Mexico, and the long trading history between the United States and Mexico.

A natural gas liquefaction plant is proposed in Trinidad and Tobago. Such a plant would convert expected surplus natural gas production into liquified natural gas (LNG) for export. Two U.S. companies would be in partnership with the Trinidad and Tobago Government in the venture; most, if not all, of the LNG would be exported to the United States.

SITC 51--Chemicals

A section of the chemical industry that has shown considerable growth in the value of exports from North American countries is SITC group 51, which covers chemical elements, acids, and industrial organic and inorganic compounds. The total value of exports to all destinations increased from \$2.8 billion in 1973 to \$8.7 billion in 1979. In 1979, 2.3 billion dollars' worth of these exports went to countries within North America--the United States, Mexico, and Canada--which represented a tripling of the value of exports since 1973. Almost the same amount went to EEC countries.

Although the great increase in value of exports would seem to indicate a major growth area, most of it is explained by the jump in the producers' price index for industrial chemicals, which rose from about 110 (1967=100) in 1973 to an average of 264 in 1979. (This price inflation has continued unabated; the index reached 328 in July 1980.)

Trinidad and Tobago will have additional ammonia for export in the next 2 to 3 years. Since U.S. companies are involved in ammonia production in that country, the United States becomes a logical export market. In addition, aromatics and aromatics derivatives production are continually under study in Trinidad and Tobago. Trade in one or more of these commodities in the future is very possible.

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<sup>1/</sup> Data used were United Nations external trade tapes. For Central America, no data were available for Belize. For the Caribbean, data were available only for Barbados, Guadeloupe, Haiti, Martinique, Netherlands Antilles, and Trinidad and Tobago. Not all countries' data were available for all years.

## Textiles

North American exports of textiles and apparel more than doubled from \$2.0 billion in 1973 to \$4.6 billion in 1979. Exports within the North American region accounted for one-third of the 1979 trade. The EEC was the principal market outside North America for exports, receiving 30 percent in 1979.

The United States is by far the largest exporter of textiles and apparel in North America, with exports amounting to \$4.1 billion, or 90 percent of the North American total in 1979. Textiles, primarily manmade-fiber yarns and various types of broadwoven fabrics, are the principal export products of the United States. Exports of these products have increased about 2-1/2 times from \$1.2 billion in 1973 to \$3.2 billion in 1979. The EEC and Canada are the largest markets for these exports, accounting for 32 and 19 percent, respectively. Although there have been significant gains in exports of U.S. textiles, exports represented only 6.8 percent of domestic shipments in 1979.

Canadian exports of textiles and apparel have increased from \$271 million in 1973 to \$417 million in 1979. However, exports have remained steady at 5 percent of domestic shipments since 1973.

Exports of textiles and apparel from Mexico have traditionally been small and have declined in recent years. The decline is attributed to a slow-growing domestic industry. Mexican production has not grown as rapidly as local demand, and consequently, the industry is producing primarily to serve the domestic market and not the export market.

## SITC 673, 674 and 678--iron and steel

Canada is the only North American country that has experienced any major growth in the volume of exports of iron and steel during 1973-79. Canada's export growth was in SITC categories 673, iron and steel shapes; and 674, iron and steel plates and sheets. During 1976-79, Canada continued to rely on the United States as its major export market, averaging 50 percent of total Canadian exports. On the basis of available data for 1976 and 1977, Mexico's exports showed very little growth. Mexico's principal export market was also the United States, accounting for 84 percent of Mexico's total exports. U.S. iron or steel exports showed no growth except to Mexico. Almost all of the increased exports to Mexico were concentrated in SITC category 678, iron and steel pipes and tubes.

This sector has shown little real growth in exports to areas outside Mexico, Canada, and the United States. Such factors as new steel mills, in many foreign countries, high transportation costs, and more efficient producers in other countries have and will continue to reduce any major export developments for North American countries.

## Nonferrous metals

The value of U.S. exports of nonferrous metals increased from \$1.5 billion in 1978 to \$2.5 billion in 1979, owing in large part to increased prices for precious metals and increased exports of aluminum, primarily to Japan. Expansion of aluminum production capacity in Japan has been delayed<sup>46</sup> until 1983 owing to the energy-intensive nature of this product, and the potential exists for increasing U.S. exports to that country. Exports of nonferrous metals from Canada have not significantly changed, the value having increased by 29 percent since 1976. Although recent data are not available



for Mexico, the value of exports have most likely increased substantially because of increased prices for silver. Development is underway for facilities producing copper and silver which are expected to be operational between 1982-85. Mexico is expected to export a substantial portion of this added production to Europe, Japan, and the United States.

#### SITC 711--Power-generating machinery, other than electric

The potential for growth in exports by the nonelectrical power-generating machinery industry sector of North America is judged to be substantial. Products of this industry sector include the steam supply systems of nuclear power-generating plants and gas turbines for aviation and industrial applications. The North American industry (situated predominantly in the United States) has been by far the world leader in the rate of advance in technology and in the scale of production. North America has been an important source of supply of these products to markets in all parts of the non-Communist world. This world leadership will probably be maintained, and perhaps even strengthened, in the foreseeable future. The basis for significant challenge by European competitors for leadership is not in evidence.

Exports of nonelectrical power-generating machinery by North American countries to the world (including North American markets) grew from about \$3.0 billion in 1973 to \$7.3 billion in 1979, or at an average annual rate of 16 percent. The principal world export markets in 1979 were Canada, the United States, and Mexico, with respective shares of 23, 15, and 6 percent, (a combined share of 45 percent), and the EEC with 18 percent. Intra-North American exports grew from about \$1.5 billion in 1973 to \$3.4 billion in 1979, or at the average annual rate of 13.9 percent.

North American imports of such machinery from the world (including North American sources) increased from about \$2.8 billion in 1973 to \$5.4 billion in 1979; this growth was at the average annual rate of 12 percent, considerably lower than the rate of growth for exports. The primary sources of imports by North American countries from the world in 1979 were the United States, Canada, and Mexico, with respective shares of 35, 19, and 2 percent (a combined share of 56 percent); other important sources of world imports in 1979 were the EEC (with 27 percent), and Japan (with 9 percent). Intra-North American imports expanded from \$1.8 billion in 1973 to \$3.0 billion in 1979, or at the average annual rate of 9.2 percent.

The world trade balance of this industry sector displayed a rapidly expanding export surplus; by 1979 the surplus reached \$2.0 billion, 6.8 times the surplus of \$288,000 realized in 1973.

#### SITC 714--Office machines

The North American export growth potential for office machines is very high owing to the heavy demand for such products as computers, data-processing machines, and copiers. They are important to the rapid flow of information and are reputed to be important to increasing productivity in manufacturing. The technology, commonly thought to be in its infancy, is expected to undergo rapid progress. The United States is a world leader in the technology of office machines, principally on the strength of its computer technology and the growing orientation of office machines toward computers. Only Japan is currently challenging the U.S. leadership in computer technology.

Exports of office machines from North American countries to the world (including North American markets) have grown from \$2.4 billion in 1973 to \$6.8 billion in 1979, representing an average annual rate of increase of about 20 percent. The principal export markets in 1979 were the EEC (45 percent of the total), the United States, Canada, and Mexico combined (22 percent, of which the United States made up 11 percent) and Japan (7 percent). Intra-North American exports expanded from \$622 million in 1973 to \$1.5 billion in 1979, an average annual rate of increase of almost 16 percent. During 1973-79, imports of office machines by North American countries from the world (including North American sources) more than doubled to \$3.4 billion. About 42 percent of the imports were from the United States, Canada, and Mexico, and about 20 percent each from Japan and the EEC. Intra-North American imports grew from \$652 million in 1973 to \$1.5 billion in 1979. The North American countries maintained an increasingly positive trade balance, up from \$852 million to \$3.4 billion during 1973-79.

#### SITC 718--Machines for special industries

This product grouping includes papermill and pulpmill machinery, printing and bookbinding machinery, and certain construction and mining machinery. The North American export growth potential for machines for special industries is large and broad based. North American production occurs chiefly in the United States and, to some extent, in Canada, where there is large domestic and export demand. These countries are among the world leaders in technology, and their products are competitively priced; therefore, as demand grows for these products, these industries are obtaining a larger share of the world market.

Exports of machines for special industries from North American countries to the world (including North American markets) have grown from \$1.8 billion in 1973 to \$5.7 billion in 1979, or by an average annual rate of increase of about 35 percent. The principal world export markets in 1979 were South America (14 percent), the EEC (14 percent), and Canada (14 percent). The remaining exports were shipped in relatively small quantities to numerous countries.

Intra-North American exports grew from \$565,000 in 1973 to \$1.8 billion in 1979, or at the average annual rate of 20 percent. During 1973-79, imports from the world (including North American sources) to North America of these products almost tripled to \$3.0 billion. In 1979, about 49 percent of the imports by North American countries from the world were from the United States, Canada, and Mexico, and about 32 percent were from the EEC.

Intra-North American imports grew from \$609,000 in 1973 to \$1.5 billion in 1979 or at the average annual rate of 15.6 percent. North American countries exported considerably more to the world than they imported during 1973-79. The surplus in the world trade balance expanded from \$727,000 in 1973 to about \$2.8 billion in 1979 or by about 4 times. Canada and Mexico imported substantially more from the United States than each exported to the United States during the same period. During 1973-79, the United States maintained a positive trade balance with the rest of North America that varied irregularly from \$482 million in 1973 to \$991 million in 1976.

### SITC 726--Electro-medical and X-ray equipment

Exports of electro-medical and X-ray and radiation equipment from the United States and Canada together have increased dramatically since the mid-1970's. Classified under SITC item 726, exports of these products to all destinations from the two North American countries rose from \$119.4 million in 1973 to \$728.4 million in 1979. The U.S. share of these exports amounted to 92 percent in 1973 and 96 percent in 1979. Exports of these products from Mexico and other North American countries are negligible. The EEC has been the primary market for this product group, receiving a total of \$272 million in imports in 1979, or 37 percent of U.S. and Canadian exports to the world of this product group. Japan is also a strong market, having increased its imports from the U.S. and Canada of these goods between 1973 and 1979 from \$7.4 million to \$131.6 million. Within the North American region, Canada has been the largest export market, taking \$69.3 million in 1979, all of which came from the United States.

The electro-medical product sector has been the primary reason for the export growth of this commodity grouping. Trade in X-ray equipment had shown a deficit from the late 1960's through mid-1970's, but since then, this deficit has sharply decreased. Miniature electronic components, especially micro-processors, have changed the technology of medical devices. Originating in the semiconductor and computer fields, these technological innovations have created new medical devices and improved old ones.

Worldwide concern for healthcare, along with an increasingly aging world population requiring more medical attention, will contribute to continued market growth for electro-medical and X-ray and radiation equipment. For SITC item 726, the United States and Canada enjoyed a trade surplus with the world of \$370 million in 1979, and indications are that this superiority will continue for the next few years.

### SITC 729--Other electrical machinery and apparatus

The principal products affecting North American export growth in electrical machinery and apparatus are semiconductors and electrical instruments. In both of these product areas, the United States is at the forefront of technology and maintains a large production base. Although the technology is changing rapidly in these product areas, the United States is the technology leader with Japan, a close rival in the field of semiconductors. Other high-technology devices such as electron and proton accelerators add to the export potential of the technology-rich United States. The North American export growth potential for other electrical machinery and apparatus is estimated to be very large since these products are highly useful in the rapidly growing telecommunications and computer-oriented industries.

Exports of other electrical machinery and apparatus from North American countries to the world (including North American markets) increased from \$2.7 billion in 1973 to \$7.3 billion in 1979, or by an average annual rate of increase of approximately 17 percent. The principal export markets in 1979 were the EEC (31 percent of the total), the United States, Canada, and Mexico combined (23 percent), and Japan (8.5 percent). Intra-North American exports grew from \$797 million in 1973 to \$1.8 billion in 1979, or at average annual

rate of about 18 percent. During 1973-79, North American imports from the world (including North American sources) increased from \$2.2 billion to \$5.9 billion, an average annual rate of increase of about 18 percent. The United States was the principal source of imports in 1979, accounting for about 15 percent. Intra-North American imports expanded from \$910 million in 1973 to \$1.7 billion in 1979. The North American group had a trade surplus of about \$1.4 billion with the world in 1979 (compared with \$523 million in 1973).

#### SITC 734--Aircraft

The North American export growth potential for aircraft is extremely large for two reasons. First, the technology of North American producers of large, transport aircraft, both civil and military, has enabled them to maintain a leadership position in the world market. Second, the recently negotiated Civil Aircraft Agreement is expected to open new markets for aircraft outside of North America. One primary area of technology advancement by North American aircraft manufacturers is the development of lightweight carbon-fiber composites. The use of composites in the new generation of aircraft, notably Boeing's 757 and 767 models, will drastically improve fuel efficiency. While the commuter and corporate aircraft markets are very competitive, Airbus Industries, a consortium of European firms, is the only viable rival to North America in the larger aircraft segment.

Exports of aircraft from North American countries to the world (including North American markets) have more than doubled, from \$4.5 billion in 1973 to \$10.2 billion in 1979. The principal world export markets in 1979 were the EEC (23 percent of the total), Japan (8 percent), South America (7 percent), and Canada (7 percent). Intra-North American exports grew from \$752,000 in 1973 to \$1.4 billion in 1979, or at the average annual rate of 10.2 percent.

North American imports of aircraft from the world (including North American sources) declined from \$1.2 billion in 1974 to \$760 million in 1976, but by 1979 had risen to \$2 billion. About 58 percent of the North American imports from the world were from the United States, Mexico, and Canada, while about 32 percent were products of the EEC. Intra-North American imports grew from \$722,000 in 1973 to \$1.2 billion in 1979, or at the average annual rate of 8.5 percent.

North America achieved a positive and continuously growing trade balance with the world in aircraft. Although North America's trade balance grew from \$3.4 billion in 1973 to \$8.3 billion in 1979, Mexico and Canada each recorded negative trade balances in nearly every period since 1973.

## Present Degree of Trade Integration in North America

The sections that follow present various aspects of the current level of trade integration among North American countries. Obstacles to trade are discussed, including the levels and extent of application of customs duties, and the main areas where nontariff measures are applied by the United States, Canada, and Mexico. U.S. data are presented on imports under TSUS items 806.30 and 807.00 and on the extent of trade among related parties.

### Dutiable vs. duty-free trade

The general level of customs duties applied on imports by developed countries has declined steadily during the postwar period, the result of a series of international trade negotiations <sup>1/</sup> culminating in the recent Tokyo round agreements. Even before these latest negotiations, it was recognized that, among industrial countries, nontariff barriers, and even uncertainty associated with currency fluctuations, were surpassing tariffs as the principal obstacles to trade. Nonetheless, tariffs remain the most visible measure of trade restriction, <sup>2/</sup> and their general level is not insignificant in many developing countries, including Mexico and other North American countries.

United States.--In 1979, the proportion of duty-free imports to total U.S. imports from the world was just over 50 percent. The average tariff level <sup>3/</sup> was 7.0 percent on dutiable imports and 3.5 percent on total imports from the world. Table IV-12 shows the corresponding figures for imports from North America. Duty-free imports from Canada under the United States-Canada Automotive Agreement of 1965 (APTA imports) totaled \$9.4 billion in 1979, and more than accounted for the relatively large share of duty-free imports from the region. Country-by-country variations in the ratio of duty-free to total imports and in the average duty on imports from North America are accounted for by differences in the product mix of imports from each source--notably differences in the importance of petroleum <sup>4/</sup> and textiles <sup>5/</sup> imports. Table IV-13 indicates, for example, that Mexico faces a wide difference in average duties on its exports to the United States of products in TSUS schedule 3 and those on products in schedule 4 (where petroleum is classified).

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<sup>1/</sup> The growth since 1973 in the value of trade in petroleum, which is assessed zero or low duties in most developed countries, also has had a moderating effect on the average levels of tariffs.

<sup>2/</sup> In part this is because their impact is relatively easy to measure.

<sup>3/</sup> The ratio of duties collected on all imports from a source to the customs (roughly f.o.b.) value of all imports or of dutiable imports.

<sup>4/</sup> The duties on imports of major petroleum products have been alternatively suspended and reinstated since 1973. Since the duty is very low, this has not greatly affected duties-collected figures, but the shift of these products between dutiable and duty-free status does affect calculations of the ratio of duty-free to total imports and of the dutiable average tariff rate. During 1979, duties on petroleum were in force only during January-March.

<sup>5/</sup> Imports of many textiles products, besides being subject to quantitative restrictions in the United States and most other developed countries, are <sup>51</sup> generally subject to much higher than average rates of duty.

Table IV-12.--U.S. imports for consumption from North American countries, by sources and by duty status, 1979

Source	Total 1/	Duty free under--		Duty-free share of total	Average duty	
		2/ : Column 1 : rate MFN	3/ : GSP : provisions		on total : imports	on dutiable : imports
		Million dollars			Percent	
Canada	37,766.0	8,951.6	26,002.3	0.0	2,812.1	1.31
Mexico	8,784.9	4,058.1	1,668.7	551.5	2,506.6	3.36
Central America:						
Guatemala	408.9	85.8	306.8	15.9	.4	.65
Belize	31.1	13.0	8.9	9.2	0	5.20
El Salvador	443.1	180.7	250.7	11.7	4/	4.09
Honduras	411.5	90.8	269.5	51.0	.2	1.46
Nicaragua	233.6	128.9	101.3	3.4	0	2.17
Costa Rica	391.6	143.3	215.7	32.4	.2	3.25
Panama	189.7	39.2	141.4	3.4	5.7	.35
Subtotal	2,109.5	681.7	1,294.3	127.0	6.5	2.05
Caribbean:						
Bermuda	10.5	.7	9.6	.2	4/	.95
Haiti	222.1	150.4	43.8	27.9	4/	11.35
Dominican Republic	663.7	289.2	330.9	42.3	1.3	3.92
Bahamas	1,601.9	235.5	58.2	6.0	1,302.2	.29
Jamaica	369.4	29.7	331.6	7.7	.4	1.22
Leeward and Windward Islands	30.2	18.9	.1	2.9	8.3	3.31
Barbados	57.3	41.4	1.0	14.9	4/	10.47
Trinidad and Tobago	1,553.4	297.4	53.7	11.9	1,190.4	.22
Netherlands Antilles	1,810.4	391.8	91.6	3.1	1,323.9	.17
French West Indies	3.8	1.3	2.5	0	4/	.79
Subtotal	6,322.7	1,456.3	923.0	116.9	3,826.6	2.63
Total	54,983.1	15,147.7	29,888.3	795.4	9,151.8	1.17
						1.66
						6.00

1/ Customs value basis.

2/ Includes imports under TSUS items 806.30 and 807.00, which are dutiable only on their non-U.S. value.

3/ Includes duty-free imports under various duty-rate provisions for in-bond processing, foreign and U.S. Government use, temporary duty suspension, etc. In 1979, crude petroleum (TSUS items 475.05 and 475.10) imported free under rate provision 18 (temporary duty suspension) accounted for the following amounts (in millions of dollars): Canada, \$2,004.2; Mexico, \$2,462.6; Bahamas, \$804.6; Trinidad and Tobago, \$1,001.3; Netherlands Antilles, \$966.1; Total, North America, \$7,238.7.

4/ Less than \$50,000.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Note.--Because of rounding, figures may not add to the totals shown.

Table IV-13.—U.S. imports from Canada and Mexico by TSUSA classifications, rate of provision, share of duty-free trade, and average duty, 1979

Source and TSUSA classification	Total	Duty-free	Share of duty-free trade	Average duty on total imports	Average duty on dutiable imports
	—Million dollars—		—Percent—		
<b>Canada:</b>					
1 Animal and vegetable products	1,841.3	724.7	39.4	3.26	5.38
2 Wood and paper printed matter	7,359.0	6,636.5	90.2	.46	4.72
3 Textile fibers and textile products	80.8	12.2	15.1	13.44	15.89
4 Chemicals and related products	7,615.8	6,913.3	90.8	.57	6.26
5 Nonmetallic minerals and products	619.7	491.3	79.3	1.33	6.46
6 Metals and metal products	17,914.7	12,647.2	70.6	1.55	5.28
7 Specified products; miscellaneous products	1,165.6	346.1	29.7	4.69	6.66
Total 1/	37,765.9	28,814.3	76.3	1.31	5.53
<b>Mexico:</b>					
1 Animal and vegetable products	2,422.8	1,465.0	60.5	.98	2/ 4.71
2 Wood and paper printed matter	165.1	50.5	30.6	3.26	27.74
3 Textile fibers and textile products	247.9	23.7	9.5	25.10	.92
4 Chemicals and related products	3,335.0	2,727.5	81.8	.16	12.91
5 Nonmetallic minerals and products	184.1	83.4	45.3	7.03	5.70
6 Metals and metal products	2,571.8	618.6	24.0	4.33	
7 Specified products; miscellaneous products	392.8	111.6	28.4	7.49	10.46
Total 1/	8,784.9	4,726.8	53.8	3.36	7.28
1/ Includes special classifications and appendix items of the TSUSA.					
2/ Less than .005 percent.					

Source: Compiled from official statistics of the U.S. Department of Commerce.

In duty-free imports under the United States Generalized System of Preferences (GSP), 1/ imports from eligible 2/ North American countries accounted for 8 percent of total GSP imports from the world during 1979, and about 5 percent of total U.S. imports from North America (excluding Canada). U.S. imports under other duty-free provisions consisted mainly of petroleum, which was duty-free under temporary provisions during April-December 1979. Also, \$3,946 million in imports from North America under items 806.30 and 807.00 of the TSUS, of which some portion actually represents duty-free U.S. value, are included in the dutiable imports figures in tables IV-12 and IV-13.

As a result of agreements reached in the Tokyo round of multilateral trade negotiations, several hundred additional TSUS items will become duty free by 1987. 3/ By that year, the overall average level of U.S. tariffs will drop by about 30 percent from levels in effect prior to the Tokyo round. 4/

Canada.--The proportion of duty-free trade in Canada's global imports--two-thirds in 1979--is even higher than that in the United States. The proportion of duty-free trade in imports from North America is shown in table IV-14. The average tariff level on dutiable trade is, however, about double that of the United States on imports from all sources and on imports from North America. Outside the agricultural products sector, Canada's dutiable tariff lines are clustered at rates of 10, 12-1/2, 15, 17-1/2, 20 and 22-1/2 percent ad valorem, 5/ with relatively few specific duties or duties less than 10 percent. This is in contrast to the United States tariff schedules, in which most dutiable tariff lines carry rates of 10 percent or less, and many carry rates of 5 percent or less.

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1/ The concept of a general system of preferences in favor of less developed countries was first introduced at the first United Nations Conference on Trade and Development (UNCTAD) in 1964. In 1971, the Contracting Parties to the General Agreement on Tariffs and Trade (GATT) approved a 10-year waiver of GATT art. 1 (the most-favored-nation clause) to permit establishment of GSP systems by GATT members. Most developed countries then established GSP systems, with Canada's scheme coming into effect in July 1974 and the U.S. system starting in January 1976.

2/ All North American countries covered in the study except Canada and the French West Indies are GSP beneficiaries, though certain products from certain countries may be ineligible due to the so-called "competitive need" limitations of U.S. law.

3/ The first stage of duty reductions took effect Jan. 1, 1980. Prominent among the items for which duties were eliminated on that date are civil aircraft, parts and certain related products covered under the Tokyo round Agreement on Trade in Civil Aircraft.

4/ Operations of the Trade Agreements Program: 31st Report, 1979, USITC Publication No. 1121, 1980, p. 37. Estimate based on the commodity composition and unit values of U.S. imports in 1976.

5/ Pre-Tokyo Round tariff.



Table IV-14.--Canadian imports from North America by specified sources and by duty status, 1979

Source	Total imports	Dutiable imports	Duty free				Average duty on--			
			MFN	Preferential :CPT and BP 1/	Total imports	Share of imports	Total imports	Dutiable imports		
									Percent	
-----Million dollars-----										
United States-----	38,773.7	11,831.8	26,941.9	-	26,941.9	69.5	4.32	14.10		
Mexico-----	177.8	53.8	112.4	11.6	124.0	69.7	4.04	13.30		
Central America:										
Guatemala-----	14.2	1.0	13.2	2/	13.2	92.5	1.47	21.30		
Belize-----	.9	2/	.9	-	.9	100.0	.10	5.00		
El Salvador-----	23.3	2.9	20.3	.1	20.4	87.5	1.27	10.10		
Honduras-----	25.6	.6	24.8	.2	25.0	97.7	.21	8.90		
Nicaragua-----	7.4	.6	6.6	.2	6.8	91.9	.51	6.80		
Costa Rica-----	29.7	.7	28.9	2/	28.9	97.0	.22	9.10		
Panama-----	19.6	.7	18.8	.1	18.9	96.4	.46	13.20		
Subtotal-----	120.7	6.5	113.5	.6	114.1	94.5	.49	11.60		
Caribbean:										
Bermuda-----	.9	.1	.3	.4	.7	77.8	2.28	13.50		
Haiti-----	5.7	4.0	1.5	.2	1.7	29.8	10.96	15.50		
Dominican Republic-----	19.4	1.3	17.9	.1	18.0	42.8	.43	6.20		
Bahamas-----	8.9	.3	2.9	5.7	8.6	96.6	.29	8.00		
Jamaica-----	42.8	.6	36.9	5.2	42.1	98.4	.75	50.00		
Leeward and Windward Islands-----	2.7	1.1	1.2	.4	1.6	59.3	8.08	20.20		
Barbados-----	7.3	3.7	3.0	.6	3.6	49.3	10.29	20.30		
Trinidad and Tobago-----	16.2	8.3	3.0	5.0	8.0	49.4	4.91	9.60		
Netherlands Antilles-----	29.6	.7	28.8	.1	28.9	97.6	.11	3.70		
French West Indies-----	2/	3/	3/	3/	3/	3/	3/	3/		
Subtotal-----	133.6	20.2	95.5	17.7	113.2	84.7	2.15	14.20		
Total, North America-----	39,205.8	11,912.2	27,263.3	29.9	27,293.2	69.6	4.30	14.10		

1/ Trade actually entered duty free under the General Preferential Tariff (GPT-the Canadian generalized system of preferences) or under the British Preferential Tariff (BP).  
 2/ Less than \$50,000.  
 3/ Not available.

Source: Compiled from Statistics Canada, Trade Canada 1979, and official statistics of the Canadian Department of Finance, Tariffs Division.

Note.--Because of rounding, figures may not add to the totals shown.

Canada implemented a GSP system 1/ in July 1974, and also maintains a British Preferential Tariff (BP), which applies to imports from many Caribbean countries. 2/ Like the United States GSP, the Canadian system does not apply to all tariff lines. Unlike the United States, though, Canada frequently offers only duty reduction, not free status, under its preferential systems. 3/ Canada is also committed to reduce its most-favored-nation duty rates by about 30 percent by 1987 under the Tokyo round agreements.

Mexico. --Summary statistical data on levels of duty free trade or average tariffs in Mexico were not available. As is the case in many developing countries, Mexico uses its tariff system 4/ as an instrument of development policy to encourage the growth of or protect particular sectors of the domestic economy, and, to some extent, for fiscal (revenue-raising) purposes. In general, duty-free treatment or low duties (5 to 15 percent ad valorem) are applied under Mexico's General Import Tariff only to raw materials and human food when these items are also subject to a prior import permit requirement. In May 1979, 502 tariff items of a total of 7,243 were duty free or had duties of less than 5 percent. Chemical products are dutied at 10 to 60 percent, depending on their degree of processing, whether they are produced in Mexico, and whether they are subject to the prior-permit system. Other intermediate products are dutiable at 20 to 60 percent, and capital equipment at 10 to 60 percent, depending on the same conditions. Duties on luxury items range from 60 to 100 percent ad valorem.

In addition to the General Duty described above, additional levies of 2 percent 5/ and 3 percent ad valorem are applied to most imports. Taxes are also levied on the export of some products, principally raw materials. Tariff preferences are granted to certain imports from countries of the Latin American Free Trade Association (LAFTA), but the amount of total trade with LAFTA countries is small.

Although data are not available on imports entered duty free into Mexico under the in-bond-processing and border-zone provisions of the Customs Code, the conclusion can be drawn from U.S. data on imports under TSUS items 806.30 and 807.00 that a significant amount of total Mexican imports is involved. 6/

Mexico participated in the Tokyo round negotiations, and the United States and Mexico signed an agreement for the exchange of tariff and other concessions in December 1979. This agreement was predicated on the accession of Mexico to the GATT, however, and collapsed when Mexican President Lopez Portillo announced in March 1980 that Mexico had decided that it would not join the GATT.

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1/ This is called the General Preferential Tariff (GPT) in Canada.

2/ Caribbean beneficiaries of the BP rates are Antigua, Bahamas, Barbados, Bermuda, Belize, British Virgin Islands, Cayman Islands, Cocos Islands, Dominica, Grenada, Jamaica, St. Christopher-Nevis-Anguilla, St. Helena, St. Lucia, St. Vincent, Trinidad and Tobago, and Turks and Caicos Islands.

3/ Canadian General Preferential Tariff rates are the lower of (1) the BP rate, or (2) the MFN rate less one-third.

4/ See the following section for nontariff measures (licensing, in particular) applied by Mexico.

5/ Exceptions to the 2-percent levy are the 502 duty-free or low-duty items, certain imports from the Latin American Free Trade Association countries, goods for processing in-bond or in the border zones, and certain pollution-control equipment.

6/ See U.S. imports under TSUS items 806.30 and 807.00, below.

Other North American countries.--Highlights of the trade regimes of other countries of the region are as follows: 1/

- \* Bahamas: Import duties range up to 50 percent, plus 12-percent surcharge. Import duty relief granted for plant machinery, tools, equipment, raw materials, and materials and furnishings for starting hotels. Maintains de facto application of GATT pending final decisions as to post-independence trade policy.
- \* Barbados: Member of GATT. Provides duty-free import of raw materials for approved enterprises.
- \* Belize: Import duties, mostly in the 30 percent ad valorem range, are the major source of government revenue. Most capital equipment imports exempt from duty. Applies GATT provisions de facto.
- \* Costa Rica: Member of the Central American Common Market (CACM). Intra-CACM duties almost eliminated, and CACM common external tariff (CXT) in effect for about 95 percent of product categories. CXT duties are free or minimal for "essential" items: certain foods; medicines; capital equipment; and agricultural machinery. Most common duty rate on other items is \$.50 per gross kilogram plus 10 to 15 percent ad valorem. Thirty percent CACM import surcharge in effect for most products. No foreign exchange controls. Export controls maintained on livestock and scrap metal. Not a member of the GATT.
- \* Dominican Republic: Foreign exchange availability for most imports is controlled, with many "non-essential" items prohibited or under quota due to an unfavorable balance of payments situation. Import duties are generally from 20 to 200 percent ad valorem, with the maximum duty about 700 percent. In addition, most imports are subject to an internal consumption tax of 20 percent and a 4-percent surcharge. In 1970, taxes on imports are estimated to have accounted for 37 percent of government income (versus 20 percent provided by income taxes). Exemption from import duties and charges are provided for: firms producing for export in three Industrial Free Zones; equipment, raw materials and supplies for certain new industries producing import-substituting products; and construction materials for tourist facilities in designated tourist zones. Exports of some products, mainly foodstuffs, are prohibited or under license. The Dominican Republic is a contracting party to the GATT.
- \* El Salvador: Member of CACM. Intra-CACM duties almost eliminated, but has no trade relations with Honduras. CACM CXT in effect for about 95 percent of product categories. CXT duties are free or minimal for "essential" items: certain foods; medicines; capital equipment; and agricultural machinery. Most common duty rate on other items is \$.50 per gross kilogram plus 10 to 15 percent ad valorem. Thirty percent CACM import surcharge in effect for most products. Relatively few restrictions. Not a GATT member.

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1/ From Market Profiles for Latin America and the Caribbean, OBR 78-29, and various other Overseas Business Reports relating to specific countries, U.S. Department of Commerce, International Trade Administration; and from Annual Report on Exchange Agreements and Exchange Restrictions 1980, International Monetary Fund.

- \* Guatemala: Member of CACM. Intra-CACM duties almost eliminated. CACM CXT in effect for about 95 percent of product categories. CXT duties are free or minimal for "essential" items: certain foods; medicines; capital equipment; and agricultural machinery. Most common duty rate on other items is \$.50 per gross kilogram plus 10 to 15 percent ad valorem. Thirty percent CACM import surcharge in effect for most products. Relatively few restrictions. Not a GATT member.
- \* Haiti: Trade policy designed to increase exports of manufactures and to protect new industries. Duty-free entry for goods to be re-exported. Member of GATT.
- \* Honduras: Formally, a member of CACM, but participation suspended in 1970. Bilateral trade treaties have been signed with Nicaragua, Guatemala and Costa Rica. Import duties on capital goods and agricultural imports range from 4-16 percent; consumer goods not produced locally are assessed at 25-50 percent; luxury items and products competing with local production are assessed at 100-150 percent. Surcharge of 30 percent applies to most non-CACM imports. No major foreign exchange restrictions. Not a member of the GATT.
- \* Jamaica: Almost all imports are subject to specific license. For some products, licenses are not normally issued unless the imports originate in a CARICOM country. Foreign exchange availability is tightly controlled, owing to severe balance of payments problems. Jamaica is a GATT member.
- \* Netherlands Antilles: Associated with European Economic Community (EEC), and grants trade preferences to some EEC imports. Many duties are 4.5 percent, but some range up to 55 percent to protect local industries.
- \* Nicaragua: Member of CACM. Intra-CACM duties almost entirely eliminated. CACM CXT in effect for about 95 percent of product categories. CXT duties are free or minimal for "essential" items: certain foods; medicines; capital equipment; and agricultural machinery. Most common duty rate on other items is \$.50 per gross kilogram plus 10 to 15 percent ad valorem. Thirty percent CACM import surcharge in effect for most products. Due to disruptions associated with the overthrow of the Somoza regime, Nicaragua has experienced severe foreign exchange shortages. This has led to development of a "priority list" of essential imports which governs foreign exchange availability for imports from non-CACM sources. The Ministry of Foreign Trade was designated the sole exporter for coffee, cotton, meat and sugar in August, 1979. Nicaragua is a member of the GATT.
- \* Panama: High import duties on products manufactured domestically. Import quotas exist on a variety of products. No restrictive exchange controls. Exports taxes levied on precious metals, some minerals, sugar, bananas, scrap metals, and certain other products. Exports of cement, certain foodstuffs and firearms and ammunition are prohibited. Not a GATT member.
- \* Trinidad and Tobago: Member of GATT and the Caribbean Common Market (CARICOM). Moderate to high duty rates (50 percent). Protective tariffs applied to protect local industries, particularly textiles.

Approximately 400 items comprise a "Negative List" for which specific import licenses are required. Main items covered are cement, clothing, corrugated iron sheeting, cosmetics, saccharin, coffee, cocoa beans, and assembled motor vehicles. Rice and oils and fats are state-traded. All imports require exchange control approval, and export proceeds must be surrendered, but exchange controls are generally not restrictive.

Major areas where non-tariff trade restrictions affect North American trade

United States.--The United States maintains import quotas for cotton, certain cotton waste, and cotton products; most dairy products; peanuts; certain fish; certain potatoes; and sugar. All quotas except those on peanuts, cotton and certain cotton products, butter oil, and sugar are on a country-of-production basis. In addition, an import entitlement program and import license fees are used for imports of crude petroleum and petroleum products. Also, certain dairy products are subject to both quotas and import licenses. U.S. trade law also prohibits importation of wild mammals and birds (with certain exceptions) if laws prohibiting their export exist in the exporting country.

The United States participates in the GATT Multifiber Arrangement (MFA) and has negotiated 21 bilateral textile agreements under the arrangement to restrict exports of textiles and apparel to the United States.

Voluntary arrangements also exist (12 bilateral agreements and one memorandum of understanding) which restrict imports of fresh, frozen, or chilled beef, veal, mutton, and goat's meat as an alternative to the imposition of mandatory quotas under the Meat Import Act of 1964. Imports of a number of manufactured products are restricted by bilateral agreements or by multilateral procedures under GATT regulations designed to provide temporary relief to certain distressed industries (e.g., clothespins, shoes, televisions, and specialty steels).

U.S. export restrictions center on munitions, strategic materials, and exports to certain countries. Export licenses are required for exports of munitions <sup>1/</sup> to all countries and exports of crime control and detection equipment to all countries except other members of the North Atlantic Treaty Organization, Australia, Japan, and New Zealand. Individual validated licenses are required for all exports to certain countries <sup>2/</sup> (except phonograph records, publications, and (Cuba only) limited gift parcels) and exports of designated strategic materials and equipment to all countries except Canada. For many commodities, for certain countries, single distribution licenses may be obtained to cover a full year's shipments, and licensing requirements applicable to Hungary, Poland, Romania, and Yugoslavia are less restrictive than those applicable to other Eastern European countries. In addition, the Export Administration Act of 1979 allows the President to suspend the export of goods for reasons of national security, foreign policy, or short supply in the domestic economy.

For agricultural commodities, including wheat, sorghum, soybeans, and soybean oil, exporting companies participate in a voluntary reporting system designed to improve market information, promote more orderly exporting, and lessen substantially the need for government intervention.

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<sup>1/</sup> Export licenses are not granted for exports of arms and ammunition to the People's Republic of China, Cuba, Eastern Europe, Democratic Kampuchea, North Korea, South Africa, the U.S.S.R., and Vietnam.

<sup>2/</sup> Cuba, Democratic Kampuchea, Iran, North Korea, and Vietnam.

Canada.--Canada requires import licenses for certain drugs; a few agricultural items; certain textile products, clothing, and footwear; certain endangered species of fauna and flora; natural gas; and material and equipment for the production or use of atomic energy. In practice, licenses are generally not being issued for some agricultural items, such as certain dairy products. Commercial imports of some items, including oleomargarine, used automobiles, secondhand aircraft, and certain periodicals, are tightly controlled.

Canada controls exports of a few commodities (primarily crude petroleum, certain petroleum products, and natural gas, most of which are sold to the United States) to all destinations. Controls are applied on exports of strategic goods to all destinations except the United States. Exports to Albania, Bulgaria, the People's Republic of China, Czechoslovakia, the German Democratic Republic and East Berlin, Hungary, North Korea, Mongolia, Poland, Romania, the U.S.S.R., and Viet Nam are subject to control, although certain goods may be exported to these destinations under the authority of a general export permit. Finally, certain goods are subject to control for supply and distribution purposes (for example: specialty steel and beef to the United States and blood products to all countries).

Mexico.--Import licenses have been replaced by tariffs for about 70 percent of the items in Mexico's General Import Tariff. However, the remaining 30 percent that still require import licenses account for about two-thirds of the value of Mexico's imports. Most import licenses are subject to quantitative restrictions, but some commodities have "open end" import licenses, allowing limited imports during a specified period, with repeated renewal subject to the importer's performance.

Import licenses are not granted for a small number of luxury items and for public sector imports for which domestic substitutes exist at a price differential of no more than 15 to 20 percent.

Mexico charges export duties and requires export licenses for nonrenewable resources (including petroleum products), for certain raw materials (to promote their further processing in Mexico), and for certain agricultural products (to protect domestic supplies). In general, manufactured goods are exported free of duty, <sup>1/</sup> export tariff rates are relatively high for nonrenewable resources, and lower export duties are charged for agricultural products. Exports of certain animal and vegetable products, organic chemicals, pharmaceutical products, fur skins, leather, wool, wood, gold, art objects, reproductions of works of arts, archaeological objects, and scrap iron are prohibited.

#### U.S. imports under TSUS items 806.30 and 807.00

The United States allows a partial duty exception on imported articles incorporating U.S. value added under TSUS items 806.30 and 807.00. <sup>2/</sup> Between

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<sup>1/</sup> Rebates of indirect taxes by means of a system of certificates (CEDIS) are granted on exports of certain manufactured and semimanufactured products and certain services.

<sup>2/</sup> Item 806.30 provides that articles of metal (except precious metal) that have been manufactured in the U.S., exported for processing, and re-imported to the U.S. for further processing are subject to duty only on the value of the foreign processing. Item 807.00 provides that imports assembled in foreign countries incorporating U.S.-made components are dutied at full value less the value of the U.S.-made components.

1966 and 1978, imports under these two provisions grew from \$953 million to \$9,735 million, of which more than 90 percent has been under item 807.00. 1/ They accounted for 5.6 percent of total U.S. imports in 1978. During 1976-78, the average share of U.S. value (duty-free) of the total value of these imports from all sources was 59 percent for item 806.30 and 25 percent for 807.00. Imports from North American countries under the two items together in 1978 were as follows (in millions of dollars):

<u>Country</u>	<u>Total value</u>	<u>Duty-free value</u>
Mexico-----	1,540	826
Canada-----	926	255
Haiti-----	105	76
El Salvador-----	97	53
Dominican Republic----	64	44
Costa Rica-----	34	21
Barbados-----	28	17
Jamaica-----	9	5
Leeward and Windward Islands <u>1/--</u>	2	1

1/ Includes the British Virgin Islands, St. Christopher-Nevis-Anguilla, Antigua, Montserrat, Dominica, St. Lucia, St. Vincent and Grenada.

Mexico and Canada are among the leading sources worldwide of imports under both items. Imports under items 806.30 and 807.00 totaled 25 percent of total U.S. imports from Mexico in 1978.

Imports from Canada.--Canada was the fourth leading supplier of item 807.00 imports in 1978. Of 806 million dollars' worth of total imports, \$181 million (22 percent) was duty-free. Office machines (\$159 million) and nonpiston internal combustion engines (\$109 million) were the principal products imported. Canada was the leading supplier (\$119 million, or 30 percent of total) of item 806.30 imports, principally parts of aircraft (\$24 million) and steel plates, sheets, and strips (also \$24 million).

Imports from Mexico.--Mexico was the second ranked supplier of item 807.00 imports in 1978, accounting for \$1,490 million, or 16 percent of the total. Of this, \$791 million, or 53 percent, was U.S. value (duty-free). This high proportion of duty-free to total value is thought to indicate that the Mexican trade of item 807.00 consists of products made mainly of U.S. components and shipped to Mexico for labor-intensive assembly operations. 2/

Leading products imported from Mexico in 1978 under item 807.00 were television apparatus and parts (\$386 million), circuit breakers and voltage regulators (\$88 million), motor-vehicle parts (\$80 million), and semiconductors and parts (\$59 million).

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1/ Data are from Import Trends in TSUS Items 806.30 and 807.00, USITC Publication 1029, January 1980.

2/ Ibid.

Imports from Mexico under item 806.30 in 1978 totaled \$50 million, representing a decline from \$105 million in 1975. Mexico was nonetheless the third largest supplier of 806.30 imports in 1978. Duty-free value in that year was \$35 million. Principal items were semiconductors (\$18 million) and parts of automobile wheels (\$9 million).

#### North American trade between affiliated parties

Section 609 of the Trade Act of 1974 provided for the collection of data on U.S. imports by related- and nonrelated-party status 1/ of import transactions. Statistical data on such transactions are available from January 1975. A study of related party transactions in U.S. import trade was conducted by the United States International Trade Commission in 1978. 2/ This study found that related party transactions accounted for 48 percent of the total value of all U.S. imports in 1976, and for 45 percent of U.S. imports in 1975. 3/ By far, the most important areas of related-party imports were in TSUS schedules 4 (chemicals and related products, including petroleum) and 6 (metals and metal products). Petroleum in schedule 4 and automotive products in schedule 6 were the specific items where related-party imports were most prominent. Table IV-15 presents more recent data on related-party imports from North American countries. In 1979, related-party imports accounted for 49.3 percent of total imports from the region, with the highest ratio of related-party imports to total imports occurring in trade with the Caribbean area and with Canada. As in data for earlier years, related-party transactions were most prominent in the chemicals and metal products areas.

Another indication of the extent of trade between related parties in North America is provided by a study of sales by majority-owned foreign affiliates of United States companies in 1976. 4/ This study, using a narrower concept of related parties than that discussed above, found export sales to the United States by majority-owned affiliates in North American countries in 1976 of about \$20 billion, with more than \$15 billion accounted for by U.S.-owned firms in Canada.

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1/ Sec. 402(g)(2) of the Tariff Act of 1930, as amended, defines related-party transactions as transactions between members of a family, including brothers and sisters (whether by whole or half blood), spouse, ancestor, and lineal descendants; any officer or director of an organization and such organization; partners; employer and employee; any person directly or indirectly owning, controlling, or holding with power to vote, 5 per centum or more of the outstanding voting stock or shares of any organization and such organization; and two or more persons directly or indirectly controlling, controlled by, or under common control with, any person.

2/ Related Party Transactions in U.S. Import Trade, unpublished, June 1978.

3/ The study found that import data on related-party transactions are not collected by other countries.

4/ Sales by Majority-Owned Foreign Affiliates of U.S. Companies, 1976, Survey of Current Business, March 1978.



Table IV-15.--U.S. imports for consumption 1/ from North America by specified sources, by TSUS classifications, and by related- and nonrelated-party status, 1979

Source	(In millions of dollars)										Total 2/
	Animal and vegetable products	Wood and paper printed matter	Textile fibers: textile products	Chemicals and related products	Nonmetallic minerals and products	Metals and metal products	Specified and miscellaneous products				
	Related-party imports										
Total	1,277,761	1,997,773	304,505	8,457,026	275,846	13,133,552	874,582	27,113,076			
Canada	604,525	1,908,250	27,968	4,118,154	214,302	10,904,664	561,220	18,875,657			
Mexico	370,787	86,842	135,907	1,114,845	58,173	1,762,457	261,002	4,011,185			
Central America 3/	285,409	1,625	60,724	6,427	220	102,425	9,689	478,538			
Caribbean 4/	17,040	1,016	79,906	3,217,600	3,151	364,006	42,671	3,747,696			
	Nonrelated-party imports										
Total	4,480,025	5,556,786	280,677	7,432,753	628,640	7,923,632	817,621	27,872,840			
Canada	1,236,760	5,450,797	52,812	3,497,638	405,391	7,010,085	604,369	18,890,262			
Mexico	1,234,594	78,276	112,022	2,220,156	125,975	809,352	131,846	4,773,709			
Central America 3/	1,480,091	19,289	39,819	2,712	1,531	44,342	22,455	1,631,242			
Caribbean 4/	528,580	8,424	76,024	1,712,247	95,743	59,853	58,951	2,577,627			

1/ Customs value basis.

2/ Includes special classifications and appendix items of the TSUSA.

3/ Guatemala, Belize, El Salvador, Honduras, Nicaragua, Costa Rica, and Panama.

4/ Haiti, the Dominican Republic, Bermuda, the Bahamas, Jamaica, Leeward and Windward Islands, Barbados, Trinidad and Tobago, the Netherlands, and French West Indies.

Source: Compiled from official statistics of the U.S. Department of Commerce.



APPENDIX A

LEADING U.S. EXPORTS AND IMPORTS IN TRADE  
WITH NORTH AMERICAN COUNTRIES

Table A-1.--Leading items imported from Canada, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980
1	692.11	Passenger automobiles and other motor vehicles, nes	4,561,099	4,024,788	3,450,236
2	475.15	Natural gas, methane, ethane, propane, butane and mix	2,288,024	3,020,253	3,771,851
3	252.65	Standard newsprint paper	2,108,926	2,249,470	2,352,406
4	692.28	Auto. truck tractors, and parts of motor vehicles, nes	1,815,284	1,844,052	2/
5	692.03	Trucks, \$1000 or more each, Canadian article	1,967,187	1,488,355	1,192,129
6	250.02	Wood, rag, other pulps suitable for paper making	1,044,050	1,404,803	1,467,979
7	475.10	Crude petroleum, etc testing 25 degrees a.p.i. or m	957,882	1,404,213	1,383,747
8	202.03	Spruce lumber	1,196,453	1,378,920	978,111
9	800.00	United States goods returned	930,174	1,012,084	1,066,276
10	605.20	Gold or silver bullion, dore, and precipitates	504,133	805,246	1,734,335
11	475.05	Crude petroleum, etc testing under 25 degrees a.p.i	597,815	738,772	871,132
12	601.24	Iron ore, incl manganese cont n/o 10% mang, an	555,657	683,286	538,613
13	666.00	Agricultural machinery etc, nsfp and parts -	436,966	616,607	589,536
14	660.45	Piston-type engines, nes, Canadian article	853,307	510,004	2/
15	480.50	Potassium chloride or muriate of potash	359,014	481,795	515,822
16	692.21	Truck and motor bus chassis and bodies, Canadian artic	325,847	434,724	344,933
17	620.03	Unwrought nickel	362,333	317,476	338,079
18	422.50	Uranium oxide	174,422	314,440	196,344
19	252.67	Book and printing paper, not coated, impregntd, et	192,685	272,130	178,569
20	692.27	Motor vehicle parts-other than cast iron, nes	226,488	256,982	2/
21	694.60	Aircraft and spacecraft parts nes	164,786	252,397	2/
22	168.46	Whiskey nes	240,130	249,239	2/
23	202.27	Cedar lumber	214,976	244,794	147,372
24	772.51	Pneumatic tires, nes	195,807	238,857	155,549
25	692.30	Tractors suitable for agricultural use, and parts	178,437	234,457	2/
26	202.21	Hemlock lumber	241,506	229,467	131,298
27	618.06	Unwrought alloys of aluminum nes	275,876	228,936	284,253
28	422.52	Uranium compounds nsfp	235,097	227,847	132,720
29	202.09	Pine lumber, nes	328,554	204,235	139,666
30	202.15	Douglas-fir lumber	209,640	200,283	103,136
31	727.07	Furniture for motor- vehicles, Canadian article ap	201,194	199,773	168,227
32	626.02	Unwrought zinc except alloyed	172,411	197,199	195,457
33	618.02	Unwrought aluminum nes other than alloys of alumin	239,365	179,011	269,194
34	660.46	Non-piston type internal combustion engines -	126,550	174,204	2/
35	475.25	Motor fuel	106,364	164,515	133,716
36	200.85	Wood shingles and shakes	161,888	164,452	136,640
37	202.18	Fir lumber, exc douglas	102,518	147,783	83,918
38	676.30	Office machines, nsfp	109,866	142,370	134,930
39	690.15	Railway cars, passenger baggage, etc not self-prop	20,815	138,561	101,237
40	511.14	Hydraulic cement nes and cement clinker -	85,259	135,746	81,019
		Total <u>3/</u>	25,069,836	27,213,230	23,368,429
		Total U.S. imports from Canada	33,738,399	37,765,937	37,113,242

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-2.--Leading items exported to Canada, by Schedule B items,  
1978, 1979, and January-October 1980

(In thousands of dollars)

1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	692.29	Automobile truck tractors, imported without their t	3,805,551	3,572,819	2,571,528
2	692.10	Motor vehicles, exc motorcycles for transport, nes	2,677,956	3,344,609	2,576,062
3	521.31	Coal etc. coke etc a compositn of coal, coke etc	762,470	979,504	742,503
4	605.20	Gold or silver bullion, dore, and precipitates	142,420	826,753	933,264
5	818.90	Gen'l merchandise valued at \$500 or less	635,331	818,916	711,020
6	664.05	Mechanical shovel fr earth etc snow plows, etc	582,830	741,219	639,797
7	660.48	Piston-type engines other than compression-ignition	605,616	738,269	602,153
8	692.05	Automobile trucks except truck tractors	641,098	701,419	350,579
9	694.40	Airplanes	221,600	509,114	342,726
10	666.00	Agricultural machinery etc, nspf and parts	398,316	504,864	464,786
11	692.20	Automobile truck a motor bus chassis and bodies	174,938	463,359	282,223
12	475.07	Crude petroleum, crude shale oil, and distillates	410,106	428,703	602,518
13	692.33	Parts nspf of motor vehicles, not alloyed nor advan	263,326	350,412	279,537
14	676.55	Office machine parts excluding typewriter parts	308,125	343,597	337,681
15	676.28	Automatic data processing machines	294,077	314,239	325,388
16	660.54	Parts of internal combustion engines, nes	259,033	287,735	268,908
17	660.41	Internal combustion engines and parts thereof, nspf	213,066	269,772	223,146
18	692.38	Parts of tractors, new or used (excl. item 692.40)	228,776	249,480	248,970
19	660.52	Parts of piston-type engines except compression-ig	242,759	228,003	164,300
20	692.08	Automobile truck tractors, gasoline fueled, new	155,604	205,726	134,926
21	685.90	Switchboards panels, etc for makg connectg o brkg	172,458	186,668	155,356
22	660.94	Submersible pumps a pumps and liquid elevators nes	155,789	184,829	179,130
23	518.28	Wrought aluminum bars, plates, sheets and strips	119,739	184,777	164,989
24	694.65	Kites not of civil aircraft and spacecraft, and par	144,104	177,617	216,561
25	601.24	Iron ore, incl manganiferous cont n/o 10% mang, an	136,277	177,069	187,886
26	664.10	Elevator, hoist, winches, etc and conveyors and parts	143,538	170,777	175,353
27	433.10	Chemical mixtures and preparations, nspf	149,266	168,501	168,965
28	687.60	Electronic tubes, photocells, transistors, etc and p	85,562	165,428	190,350
29	692.31	Automobile truck tractors imported without their t	132,327	160,406	135,691
30	678.50	Machines, not specially provided for, and parts	146,438	155,873	136,056
31	270.82	Periodicals, paper covered or unbound	131,636	148,792	132,792
32	661.12	Compressors and parts	141,456	142,860	123,406
33	711.80	Pressure guages, thermostats, level guages, other	126,005	138,343	139,823
34	661.98	Industrial gas cleaning equipment	129,056	132,350	111,031
35	683.60	Ign magnetos, coils a othr elec start a ign equipme	145,669	129,919	83,400
36	661.22	Air-conditioning machines and parts w/ motor drive	126,589	127,592	118,324
37	774.50	Parts of footwear, nspf, of rubber or plastics	132,308	124,827	105,600
38	605.70	Precious metal sweepings and other precious metal	9,490	123,338	443,441
39	338.29	Woven fabric, man-made, of contin. man-made fibres	99,774	118,221	97,245
40	270.40	Books, nspf	87,245	107,882	97,961
		Total	15,537,723	18,904,577	15,965,373
		Total U.S. exports to Canada	27,597,471	32,135,853	28,086,864

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-3.--Leading items imported from the Bahamas, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <sup>1/</sup>	1978	1979	Jan.-Nov. 1980
1	475.05	Crude petroleum,etc testing under 25 degrees a.p.i	528,821	745,688	730,126
2	475.35	Naphthas derived from natural gas,petroleum,etc or	197,304	432,294	297,825
3	475.10	Crude petroleum,etc testing 25 degrees a.p.i. or m	112,721	204,521	141,891
4	475.25	Motor fuel	63,235	122,501	25,185
5	511.14	Hydraulic cement nes and cement clinker -	9,970	19,929	11,109
6	407.85	Benzenoid drugs nspf	14,970	16,514	14,250
7	800.00	United States goods returned	20,644	15,485	14,705
8	114.45	Shellfish nes fresh chilled frozen prepared or pre	4,473	6,433	10,800
9	523.81	Mineral substances, crude	3,716	5,855	4,974
10	437.08	Chinchona bark alkaloids and their salts	6,644	5,625	9,906
11	437.56	Adrenocortical hormones, synthetic	4,194	4,868	7,488
12	420.94	Sodium chloride or salt in bulk	3,219	3,842	5,079
13	475.65	Mixtures of hydrocarbons nspf from petroleum etc i	0	3,067	7,158
14	610.32	Pipes,tubes,etc weld,etc,nt alloy iron or steel, 0	4,421	2,663	3,822
15	601.24	Iron ore, incl manganiferous cont n/o 10% mang, an	0	2,424	0
16	437.57	Hormones, synthetic nspf	3,807	2,268	3,814
17	405.35	Benzenoid detergents, wetting agents, emulsifiers	0	1,767	710
18	439.50	Other drugs, including synthetic drugs -	1,979	1,215	0
19	315.20	Binder a baler twine,hard leaf vegetabl fiber,not	0	687	0
20	472.20	Natural chalk, crude	614	586	214
21	135.90	Cucumbers, frsh, chld, frz, entrd decl to last day	722	546	380
22	805.00	U.S. photo dry plates returned, exposed abroad etc	0	406	1
23	168.33	Cordials,liqueurs,kirschvasser a ratafia	131	377	2/
24	999.95	Under \$251 formal and informal entries estimated	267	239	145
25	452.38	Lime oil	408	187	133
26	685.90	Switchboards panels, etc for makg connectg o brkg	94	180	221
27	612.10	Copper waste and scrap,nes	99	172	127
28	420.96	Salt in bags barrels etc	0	143	0
29	135.92	Cucmbrs, frsh or frzn, entr marl-jun30, sept1-nov3	7	137	198
30	801.00	Articles reimported, under lease to foreign manufa	128	131	0
31	190.85	Sponges, grass, velvet or yellow	104	105	61
32	137.10	Peppers, frsh, chilled, or frozen	460	104	3
33	607.11	Iron or steel waste or scrap nt containing dutiabl	33	94	2/
34	168.40	Rum including cana paraguay	43	82	2/
35	190.87	Sponges, sheeps wool	54	74	54
36	452.34	Lemon oil	181	69	0
37	511.21	Hydraulic cement concrete	0	47	0
38	190.90	Sponges, hardhead o reef	1	46	26
39	110.70	Other fish nes, fresh, chilled or frozen, otherwis	80	44	76
40	653.22	Metal coins	85	42	73
		Total <sup>3/</sup>	983,630	1,601,453	1,290,555
		Total U.S. imports from the Bahamas	987,534	1,601,907	1,305,516

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-4.--Leading items exported to Bahamas, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)					
1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	818.90	Gen'l merchandise valued at \$500 or less	19,460	32,112	33,667
2	692.10	Motor vehicles,exc motorcycles for transport,nes	10,054	15,227	12,524
3	435.05	Aloes, jalap, mate, aconite, cocculus indicus, etc	16,021	13,968	13,221
4	404.85	Other cyclical intermediate chemical compounds	14,148	9,692	345
5	106.10	Beef and veal, fresh chilled or frozen	6,999	7,357	7,513
6	184.80	Animal feeds containing milk or milk derivatives	6,036	6,889	5,996
7	727.13	Wood furniture designed for household use	3,830	5,203	4,024
8	435.77	Cardiovascular drugs	4,500	4,118	1,122
9	202.08	Pine: (except eastern white, ponderosa and other)	3,002	4,049	2,576
10	692.05	Automobile trucks except truck tractors	1,861	3,710	3,262
11	107.37	Pork, prepared or preserved, except sausages	3,207	3,518	2,382
12	433.10	Chemical mixtures and preparations, nspf	3,390	3,151	2,997
13	107.38	Beef and veal, prepared or preserved (ex. sausage)	2,201	3,142	2,968
14	131.30	Rice, milled, bran removed, fit for human consumpt	3,164	3,043	2,806
15	256.50	Household and sanitary products of paper	2,116	2,928	2,317
16	696.07	Ships, boats and other vessels (military and non.)	1,789	2,918	2,397
17	182.97	Vegetable protein products derived from oil seeds	2,655	2,913	5,652
18	640.32	Metal containers (empty) chiefly for packing,mktg,	2,138	2,882	2,794
19	661.35	Refrigerator a refrigerating equipment and parts	2,288	2,771	2,497
20	431.58	Organo-sulfur compounds (ex. sulf. acid, haldide)	1,520	2,583	1,240
21	652.91	Structures of iron and steel	1,537	2,470	3,288
22	692.29	Automobile truck tractors,imported without their t	2,163	2,434	2,176
23	474.37	Paints and enamel paints	2,339	2,303	2,321
24	256.57	Paper and paperboard packing containers(ex.office)	1,810	2,250	1,840
25	381.02	Wearing apparel, shirts	1,414	2,057	1,845
26	240.20	Plywood with a face of softwood	1,472	2,014	1,384
27	795.00	Any item nspf in Schedule B of TSUS	1,343	1,816	2,158
28	664.05	Mechanical shovel fr earth etc snow plows,etc and	388	1,751	1,899
29	106.40	Pork meat, fresh, chilled or frozen	1,611	1,735	1,370
30	435.75	Stramonium	29	1,707	2,239
31	774.50	Parts of footwear,nspf,of rubber or plastics	782	1,680	996
32	660.54	Parts of internal combustion engines, nes	1,406	1,680	1,807
33	652.92	Door and window frames, iron or steel, except stai	1,178	1,667	2,308
34	256.71	Other paper and paperboard, cut to size or shape	1,659	1,580	1,699
35	475.45	Lubricating oils from petrol and/or shale oil	1,544	1,534	2,340
36	694.65	Kites not of civil aircraft and spacecraft,and par	1,848	1,503	546
37	182.20	Biscuits, cake, wafers, simlr baked products and pu	1,538	1,424	1,261
38	431.28	Monocarboxylic acids and their anhydrides,halides,	304	1,399	201
39	442.25	Preparations acting on the blood or cardiovascular	7	1,387	14
40	170.65	Cigarettes	1,119	1,381	1,090
		Total	135,870	167,947	145,081
		Total U.S. exports to Bahamas	279,241	330,070	323,729

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-5.--Leading items imported from Barbados, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)						
1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980	
1	687.60	Electronic tubes, photocells, transistors, etc and p	5,062	11,960	2/	
2	155.20	Sugar, sirup, molasses principal crystalline or dr	4,426	10,452	33,642	
3	676.52	Office machine parts nes	7,707	9,054	7,997	
4	686.10	Resistors inc potentiometers and parts	3,104	4,589	5,034	
5	376.24	Lace or net brassiers etc and other ornamented, of	2,351	3,575	4,132	
6	376.28	Corsets, girdles, etc, not ornamented of any material	3,802	2,529	2,846	
7	382.04	Women's etc lace or net wearing apparel of man-made	2,835	2,436	3,089	
8	705.86	Gloves, plastic or rubber, nsf	1,514	2,370	2,264	
9	382.00	Women's, girls', infants' lace or net wearing appa	888	1,240	1,008	
10	734.80	Ice hockey equipment and parts of, except skates	631	1,031	1,631	
11	155.35	Sugars sirups, etc containing non-sugar solids ov 6	1,519	1,029	3,763	
12	712.49	Electrical measuring etc devices nsf and parts th	839	1,016	1,480	
13	685.90	Switchboards panels, etc for makg connectg o brkg	23	930	1,974	
14	800.00	United States goods returned	1,469	878	2,885	
15	704.40	Gloves n lace/net/ornamnt etc of woven vegetable f	584	869	484	
16	155.40	Sugar, sirup, molasses, etc. derived from sugar can	0	445	0	
17	740.38	Jewelry etc and parts nsf, valued over \$.20 per d	332	379	432	
18	685.80	Electric capacitors, fixed or variable	186	335	517	
19	168.40	Rum including cana paraguay	307	267	2/	
20	704.85	Gloves n lace/net/ornament etc of knit man-made fi	153	259	226	
21	688.15	Insulated electrical conductors with fittings nes	90	253	623	
22	685.29	Hand-held citizens band (cb) radio transceivers	0	224	1,029	
23	688.40	Electrical articles and elect part of articles nsp	473	213	218	
24	734.20	Game machines including coin and disc operated and	0	148	11	
25	652.86	Hairsprings of base metal	4	115	172	
26	274.70	Photos, engrvs, etc, nsf, not lithos, not ov 20 yrs o	18	93	3	
27	706.60	Luggage, handbags, and flat good of other materials,	54	79	7	
28	704.32	Lace or net gloves, etc., of man-made fibers	0	78	218	
29	999.95	Under \$251 formal and informal entries estimated	178	59	55	
30	870.10	Records, diagrams and other data on expl opn etc o	0	37	4	
31	654.10	Articles, wares, etc, nsf, of aluminum, n coated or pl	0	36	2/	
32	274.40	Stamps, postage and revenue, and govt stamped envlp	27	31	1	
33	735.05	Boxing and other gloves nsf designed for use in s	54	25	2/	
34	114.45	Shellfish nes fresh chilled frozen prepared or pre	52	23	0	
35	740.30	Jewelry etc. and parts nsf not over \$.20 per doze	124	22	14	
36	682.60	Generator, motor generator converters, etc, electrica	16	21	119	
37	740.10	Jewelry etc of precious metal, stones, pearls etc, n	24	16	1	
38	793.00	Waste and scrap nsf	73	13	65	
39	745.67	Jewelry clasps etc except of gold or platinum, over	9	13	0	
40	149.40	Tamarinds, fresh, or prepared or preserved	6	11	0	
		Total <u>3/</u>	39,036	57,153	75,946	
		Total U.S. imports from Barbados	39,633	57,308	91,134	

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.



Table A-6.--Leading items exported to Barbados, by Schedule B items,  
1978, 1979, and January-October 1980

(In thousands of dollars)

1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	676.55	Office machine parts excluding typewriter parts	2,038	4,584	3,524
2	687.60	Electronic tubes, photocells, transistors, etc and p	4,656	4,482	4,232
3	664.05	Mechanical shovel fr earth etc snow plows, etc and	492	3,780	1,346
4	818.90	Gen'l merchandise valued at \$500 or less	3,122	3,489	3,671
5	657.21	Articles wholly or in chief weight of wire	3,633	3,376	1,317
6	130.34	Corn or maize, not donated for relief or charity	1,547	3,011	3,108
7	202.08	Pine: (except eastern white, ponderosa and other)	190	2,717	4,004
8	704.01	Gloves and glove linings, of textile materials	1,525	2,610	1,926
9	694.65	Kites not of civil aircraft and spacecraft, and par	91	2,368	484
10	105.41	Chicken (dead, fresh, chilled or frozen, whole and	1,081	2,346	2,075
11	338.29	Woven fabric, man-made, of contin. man-made fibres	1,318	2,294	1,722
12	359.00	Textile fabrics, ns pf	1,574	1,993	1,620
13	184.80	Animal feeds containing milk or milk derivatives	2,813	1,937	781
14	684.62	Telephonic apparatus and instruments and parts	781	1,752	1,675
15	184.52	Soy bean and other vegetable oil cake and oil-cake	1,450	1,575	2,063
16	686.10	Resistors inc potentiometers and parts	1,246	1,528	1,730
17	694.40	Airplanes	0	1,517	0
19	692.38	Parts of tractors, new or used (excl. item 692.40)	1,129	1,422	1,178
20	676.28	Automatic data processing machines	877	1,375	370
21	130.65	Wheat (whether or not donated for relief)	0	1,332	1,691
22	383.79	Other women's, girls and infants wearing apparel	1,378	1,273	1,892
23	660.24	Producer gas and water gas generators, and parts	9	1,250	0
24	131.30	Rice, milled, bran removed, fit for human consumpt	731	1,110	2,431
25	712.50	Instruments for measuring electrical quant., ns pf	707	1,017	1,045
26	674.54	Work holders and other parts of, machine tools	166	998	185
27	561.35	Refrigerator a refrigerating equipment and parts	807	996	1,155
28	652.91	Structures of iron and steel	170	975	1,547
29	107.37	Pork, prepared or preserved, except sausages	848	942	640
30	106.10	Beef and veal, fresh chilled or frozen	434	926	577
31	376.25	Body supporting garments of any materials	382	918	663
32	182.97	Vegetable protein products derived from oil seeds	541	849	767
33	652.92	Door and window frames, iron or steel, except stai	1,516	836	742
34	347.06	Narrow fabrics, nonelastic, of cotton	861	807	687
35	610.34	Pipes and tubes and blanks thereof, iron or steel	4	727	0
36	713.01	Meters designed to regis. elect. produced, consumed	28	695	1,043
37	685.27	Citizens band(cb) radio transceivers(except hand-h	276	651	1,143
38	433.10	Chemical mixtures and preparations, ns pf	396	643	1,181
39	119.51	Eggs in the shell, for hatching	532	613	496
40	321.29	Woven cotton fab bleached, n fancy, fig, or col of	464	600	739
		Total	42,144	67,813	57,172
		Total U.S. exports to Barbados,	77,852	118,160	112,269

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-7.--Leading items imported from Belize, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980
1	155.20	Sugar, sirup, molasses principal crystalline or dr	15,707	12,205	35,166
2	380.39	Other men or boys wearing apparel of cotten,not kni	5,932	6,211	5,129
3	800.00	United States goods returned	307	3,841	1,697
4	114.45	Shellfish nes fresh chilled frozen prepared or pre	1,853	2,884	2,510
5	380.84	Other men or boys wearing apparel of man-made fibr,n	1,874	1,534	3,244
6	155.40	Sugar, sirup, molasses, etc.derived from sugar can	960	1,270	2,166
7	188.32	Chicle, crude	957	1,032	449
8	480.50	Potassium chloride or muriate of potash	0	641	0
9	106.10	Beef and veal, fresh chilled or frozen	0	314	242
10	437.76	Viruses, serums toxins, and biological products et	93	159	192
11	380.00	Men's or boys' lace or net wearing apparel etc of	0	132	1,257
12	520.35	Rubies and sapphires, cut, not set,suitable for je	0	112	0
13	125.80	Live plants suitable for planting nspf	122	107	2/
14	110.35	Fish nes, frsh chld or frzn, whole or beheaded etc	51	92	77
15	184.10	Bran, shorts, and middlings obtained in milling gr	118	81	0
16	202.32	Lumber, balsa a teak, rough	0	80	108
17	200.35	Logs and timber, rough, split, etc but not made in	44	73	15
18	110.70	Other fish nes, fresh, chilled or frozen, otherwis	79	53	35
19	136.80	Okra, fresh, chilled, or frozen	8	45	0
20	999.95	Under \$251 formal and informal entries estimated	45	45	17
21	148.65	Papayas, prepared or preserved	0	39	0
22	202.44	Lumber, hardwood, rough, nes	22	26	8
23	202.34	Lumber, mahogany	84	15	2
24	660.52	Parts of piston-type engines except compression-ig	0	11	2/
25	452.44	Orange oil	20	11	16
26	706.60	Luggage,handbags,and flat good of other materials,	0	10	0
27	727.33	Wooden chairs and parts thereof,nspf	0	9	2/
28	274.70	Photos,engrvgs,etc,nspf,not lithos,not ov 20 yrs o	0	9	0
29	125.70	Orchid plants	19	9	0
30	153.20	Papaya jellies, jams, marmalades, and fruit butter	0	8	0
31	346.70	Cotton tufted fabrics etc	0	8	0
32	712.49	Electrical measuring etc devices nspf and parts th	0	5	0
33	727.32	Wooden folding chairs and parts thereof,nspf	0	4	0
34	126.87	Tree and shrub seeds	0	4	0
35	192.05	Seaweeds, crude, ground or pulverized	0	4	0
36	204.35	Wood cigar and cigarette boxes	0	3	0
37	202.35	Lumber, spanish cedar, ebony lancewood a lignumvit	0	3	0
38	727.40	Furniture parts of wood,nspf	14	2	0
39	207.00	Articles nspf, of wood	2	2	3
40	727.35	Furniture, wood nspf	0	2	0
		Total <u>3/</u>	28,311	31,095	52,333
		Total U.S. imports from Belize	29,013	31,116	53,854

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-8.—Leading items exported to Belize, by Schedule B items,  
1978, 1979, and January-October 1980

(In thousands of dollars)

1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	664.05	Mechanical shovel fr earth etc snow plows,etc and	684	4,040	368
2	381.49	Men's and boys apparel, of man-made fiber,knit	0	3,670	2,710
3	818.90	Gen'l merchandise valued at \$500 or less	2,302	2,919	1,979
4	685.40	Tape recorders and dictation and transcribing mach	51	2,122	811
5	685.20	Television apparatus	78	1,799	768
6	177.50	Lard	1,191	1,745	1,248
7	359.00	Textile fabrics, nspf	986	1,446	1,098
8	130.65	Wheat (whether or not donated for relief)	1,066	1,323	1,337
9	381.19	Men's and boy's wearing apparel, cotton, not knit	1,987	1,081	1,169
10	685.32	Record player,phonograph,tone arm,etc and parts	73	1,067	277
11	184.80	Animal feeds containing milk or milk derivatives	660	868	1,017
12	107.37	Pork, prepared or preserved, except sausages	490	700	417
13	170.65	Cigarettes	596	676	777
14	699.00	Other ships or vessels	111	551	18
15	692.38	Parts of tractors, new or used (excl. item 692.40)	484	510	437
16	480.80	Those grades of substances used for fertilizers,et	233	505	405
17	652.91	Structures of iron and steel	644	469	249
18	678.50	Machines, not specially provided for, and parts	28	444	160
19	649.51	Other interchangeable tools for hand or machine t	186	430	149
20	692.36	Tractors, used	83	408	49
21	682.60	Generator,motor generator converters,etc,electric	49	405	163
22	745.73	Slide fastners, not wholly tapes of textile fibers	381	400	274
23	692.10	Motor vehicles,exc motorcycles for transport,nes	304	400	230
24	692.05	Automobile trucks except truck tractors	297	384	177
25	666.20	Machinery for use in manufacture of sugar and pts	660	379	426
26	692.29	Automobile truck tractors,imported without their t	309	369	308
27	182.97	Vegetable protein products derived from oil seeds	161	360	293
28	666.00	Agricultural machinery etc,nspf and parts -	379	359	400
29	692.31	Automobile truck tractors imported without their t	77	359	477
30	660.94	Submersible pumps a pumps and liquid elevators nes	123	358	103
31	660.54	Parts of internal combustion engines, nes	303	357	238
32	692.33	Parts nspf of motor vehicles,not alloyed nor advan	219	352	379
33	466.11	Toilet soap (including castile soap)	170	350	395
34	685.26	Low-power radiotelephonic transceivers w/frequenci	25	344	391
35	131.40	Wheat, milled, fit for human consumption -	121	340	289
36	610.45	Steel tubes for making ball or roller bearing n al	35	332	0
37	661.35	Refrigerator a refrigerating equipment and parts	233	318	228
38	252.74	Paper suitable for conversion into sanitary produc	261	302	80
39	475.45	Lubricating oils from petrol and/or shale oil	375	301	505
40	772.51	Pneumatic tires,nes	280	301	413
		Total	16,896	33,843	21,218
		Total U.S. exports to Belize	38,173	53,861	39,966

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-9.--Leading items imported from Bermuda, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)					
1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980
1	800.00	United States goods returned	10,749	7,974	8,470
2	110.10	Sea herring smelts and tuna fresh chilled or froze	1,599	1,337	0
3	999.95	Under \$251 formal and informal entries estimated	210	243	170
4	461.45	Cosmetics, etc containing alcohol	409	208	278
5	270.70	Tourist literature about places outside custom's u	128	205	200
6	274.70	Photos, engrvgs, etc, nspf, not lithos, not ov 2o yrs o	22	105	0
7	668.20	Printing machines, nes, includ offset dupl and sten	1	98	2/
8	461.15	Bay rum or bay water	99	85	89
9	382.81	Other women, etc wearing apparel of other textile m	0	70	0
10	766.25	Antiques, nes	25	43	237
11	382.04	Women's etc lace or net wearing apparel of man-mad	0	21	0
12	765.03	Paintings, pastels, drawings etc, by hand, origina	8	20	2,507
13	696.60	Buoys, beacons, landing stages etc and othr float.	0	10	0
14	870.10	Records, diagrams and other data on expl opn etc o	1	9	251
15	676.30	Office machines, nspf	0	7	0
16	676.52	Office machine parts nes	0	7	14
17	274.40	Stamps, postage and revenue, and govt stamped envlp	12	6	0
18	656.15	Articles of silver including rolled silver	0	6	0
19	653.22	Metal coins	13	6	1
20	168.40	Rum including cana paraguay	0	5	2/
21	100.75	Horses live, not for slaughter, valued over \$150 p	2	5	8
22	545.11	Glass containers f/toilel prep, produced by auto m	0	3	0
23	534.94	Nonbone chinaware or subpor- celain household arti	0	3	0
24	547.55	Pharma hygienic laboratory glswre nov 95% silica b	0	3	0
25	382.58	Other women, etc wearing apparel of wool knit nt or	0	2	2
26	274.60	Lithographs on paper nt over 0.020 inch thick, n/o	0	2	0
27	724.10	Motion-picture film, nes	0	2	8
28	711.84	Gauges, regulators, thermostats etc. nspf and part	0	2	0
29	270.85	Printed catalogs, price lists to sell o rent foreig	1	2	0
30	168.33	Cordials, liqueurs, kirschwasser a ratafia	5	2	2/
31	653.37	Illuminating articles, of brass —	0	2	0
32	727.35	Furniture, wood nspf	2	2	0
33	274.45	X-ray film, exposed, whether or not developed	0	1	0
34	999.10	Equipment and repairs of vessels and aircraft	154	1	18
35	801.10	Articles reimported because do not conform to spec	0	1	0
36	685.90	Switchboards panels, etc for makg connectg o brkg	1	1	167
37	270.63	Periodicals	0	1	2
38	685.20	Television apparatus	0	1	2/
39	432.00	Chemical mixtures nspf	0	1	0
40	345.10	Knit fabric of vegetable fiber	0	1	0
		Total <u>3/</u>	13,440	10,504	12,422
		Total U.S. imports from Bermuda	14,197	10,511	13,192

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-10.--Leading items exported to Bermuda, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)

1979 rank	Sched B No.	Description <u>1/</u>	1978	1979	Jan.-Oct. 1980
1	694.40	Airplanes	7,518	10,186	0
2	818.90	Gen'l merchandise valued at \$500 or less	12,632	9,643	10,183
3	106.10	Beef and veal, fresh chilled or frozen	2,659	3,649	3,794
4	182.97	Vegetable protein products derived from oil seeds	1,382	2,274	2,696
5	105.41	Chicken (dead, fresh, chilled or frozen, whole and	2,404	2,116	1,724
6	149.30	Other edible fruit, fresh	235	1,909	1,805
7	256.50	Household and sanitary products of paper	1,525	1,631	1,649
8	184.80	Animal feeds containing milk or milk derivatives	1,318	1,284	1,219
9	661.35	Refrigerator a refrigerating equipment and parts	1,270	1,206	1,035
10	727.13	Wood furniture designed for household use	1,554	1,150	1,932
11	170.65	Cigarettes	1,134	1,117	1,127
12	107.38	Beef and veal, prepared or preserved (ex. sausage)	868	1,079	1,135
13	676.28	Automatic data processing machines	862	991	1,219
14	474.37	Paints and enamel paints	959	919	737
15	433.10	Chemical mixtures and preparations, nspf	846	910	968
16	381.72	Men's and boys' shirts, of man-made fib., not knit	13	859	695
17	256.53	Sanit. food and bev. containers, of paper, paperboa	516	857	691
18	795.00	Any item nspf in Schedule B of TSUS	546	775	464
19	167.05	Ale porter stout or beer	652	761	591
20	696.07	Ships, boats and other vessels (military and non.)	835	748	734
21	182.20	Biscuits, cake, wafers, simlr baked products and pu	597	702	665
22	138.70	Other vegetables, frozen, whether or not reduced i	449	684	829
23	660.52	Parts of piston-type engines except compression-ig	357	643	374
24	647.08	Builders' and furniture hardware for doors (excl.	389	633	1,087
25	110.46	Fish, fresh, chilled or frozen, whole or not, but	282	627	611
26	652.92	Door and window frames, iron or steel, except stai	534	626	725
27	684.62	Telephonic apparatus and instruments and parts	659	622	966
28	182.31	Cereal breakfast foods, ready for cooking	458	617	540
29	252.69	Writing, printing, other graphic paper, containing	79	614	159
30	202.08	Pine: (except eastern white, ponderosa and other)	526	611	635
31	676.55	Office machine parts excluding typewriter parts	582	592	784
32	685.20	Television apparatus	516	589	407
33	461.25	Perfumes, colognes, and toilet waters	523	586	631
34	182.44	Sauces	756	578	466
35	360.80	Floor coverings of textile materials, tufted	548	550	649
36	383.52	Women's, girls', infants dresses, manmade, not knit	380	547	535
37	661.22	Air-conditioning machines and parts w/ motor drive	456	521	449
38	661.23	Airconditioning condensing units	448	514	546
39	256.57	Paper and paperboard packing containers(ex.office)	471	505	551
40	660.94	Submersible pumps a pumps and liquid elevators nes	376	503	378
		Total	49,116	55,928	46,386
		Total U.S. exports to Bermuda	106,656	118,693	111,798

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-11.--Leading items imported from the Leeward & Windward Islands, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)				
1979 rank	TSUS No.	Description <sup>1/</sup>	1978	1979 Jan.-Nov. 1980
1	475.05	Crude petroleum, etc testing under 25 degrees a.p.i	10,896	15,462
2	155.20	Sugar, sirup, molasses principal crystalline or dr	5,322	6,415
3	176.17	Coconut oil	0	1,616
4	800.00	United States goods returned	181	1,173
5	376.28	Corsets, girdles, etc, not ornamented of any material	311	977
6	734.20	Game machines including coin and disc operated and	0	736
7	682.60	Generator, motor generator converters, etc, electrica	381	683
8	378.05	Lace or net underwear orn or nt orn and other unde	50	618
9	685.90	Switchboards panels, etc for makg connectg o brkg	390	482
10	114.45	Shellfish nes fresh chilled frozen prepared or pre	350	375
11	685.70	Electric sound or visual signaling apparatus a par	97	369
12	132.35	Arrowroot, cassava and sago flours and starches, an	35	362
13	791.26	Leather cut or shaped for conversion into footwear	0	337
14	376.24	Lace or net brassiers etc and other ornamented, of	33	286
15	161.63	Nutmegs, unground	506	239
16	389.70	Articles nspf not ornamented textile material nes	178	184
17	452.80	Distilled or essential oils, nes	171	168
18	380.06	Other men or boys wearing apparel, not ornamented, o	46	161
19	452.38	Lime oil	25	151
20	676.52	Office machine parts nes	110	146
21	801.00	Articles reimported, under lease to foreign manufa	0	145
22	774.60	Articles of rubber or plastics nspf	175	140
23	386.50	Other cotton articles nspf exc knit pile or tufted	45	116
24	705.35	Gloves of horsehide or cowhide exc calfskin leathe	0	107
25	382.81	Other women, etc wearing apparel of other textile m	18	95
26	688.40	Electrical articles and elect part of articles nsp	13	89
27	380.00	Men's or boys' lace or net wearing apparel etc of	0	74
28	682.05	Transformers of less than i kva	73	73
29	184.10	Bran, shorts, and middlings obtained in milling gr	46	69
30	692.27	Motor vehicle pts-other than cast iron, nes	0	67
31	256.90	Articles, nes, of paper and ppr/bd ex pulp, pap ma	57	61
32	389.62	Other articles, nspf, nt orn, of man-made fibers	70	51
33	653.22	Metal coins	11	49
34	382.04	Women's etc lace or net wearing apparel of man-mad	58	42
35	274.40	Stamps, postage and revenue, and govt stamped envlp	142	42
36	708.01	Ophthalmic lenses, not mounted	0	39
37	382.06	Othr women, girls etc wearing apparel, of cotton kni	46	39
38	380.84	Othr men or boys wearng apparel of man-made fibr, n	0	37
39	706.08	Luggage and handbags of leather, nes -	0	37
40	161.13	Cassia, cassia buds, cassia vera, not ground	0	35
		Total <sup>3/</sup>	19,834	32,348
		Total U.S. imports from Leeward & Windward Is.	25,037	32,879

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-12.--Leading items exported to the Leeward &amp; Windward Islands, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)						
1979 rank	Sched B No.	Description 1/	1978	1979	Jan.-Oct. 1980	
1	105.41	Chicken (dead, fresh, chilled or frozen, whole and	5,712	8,100	6,254	
2	818.90	Gen'l merchandise valued at \$500 or less	10,726	6,809	6,840	
3	130.65	Wheat (whether or not donated for relief)	1,247	4,643	5,891	
4	692.10	Motor vehicles, exc motorcycles for transport, nes	1,590	2,521	1,548	
5	256.57	Paper and paperboard packing containers(ex.office)	471	1,764	387	
6	338.29	Woven fabric, man-made, of contin. man-made fibres	889	1,190	1,366	
7	660.54	Parts of internal combustion engines, nes	194	1,182	456	
8	692.05	Automobile trucks except truck tractors	479	1,161	495	
9	107.37	Pork, prepared or preserved, except sausages	751	1,123	715	
10	682.60	Generator, motor generator converters, etc, electrica	1,001	1,078	697	
11	106.10	Beef and veal, fresh chilled or frozen	546	1,075	795	
12	376.25	Body supporting garments of any materials	373	1,073	1,720	
13	252.78	Unbleached kraft wrapping and packaging paper and	2,477	1,065	2,086	
14	664.05	Mechanical shovel fr earth etc snow plows, etc and	432	1,039	3,959	
15	107.38	Beef and veal, prepared or preserved (ex. sausage)	785	887	835	
16	661.35	Refrigerator a refrigerating equipment and parts	639	884	834	
17	511.21	Hydraulic cement concrete	369	879	897	
18	182.97	Vegetable protein products derived from oil seeds	458	872	791	
19	818.10	Value of repairs or alterations, prev. imp. items	585	835	934	
20	200.35	Logs and timber, rough, split, etc but not made in	88	831	189	
21	795.00	Any item nspf in Schedule B of TSUS	697	820	983	
22	184.80	Animal feeds containing milk or milk derivatives	821	803	458	
23	131.30	Rice, milled, bran removed, fit for human consumpt	458	711	753	
24	177.56	Tallow	687	679	1,333	
25	699.00	Other ships or vessels	84	655	16	
26	661.70	Heat exchangers	412	643	1,645	
27	692.38	Parts of tractors, new or used (excl. item 692.40)	1,201	625	600	
28	115.30	Milk or cream, condensed, nt sweetened, in airtigh	256	608	333	
29	652.91	Structures of iron and steel	480	603	3,548	
30	694.40	Airplanes	132	583	451	
31	772.51	Pneumatic tires, nes	588	576	457	
32	202.08	Pine: (except eastern white, ponderosa and other)	211	572	2,463	
33	692.31	Automobile truck tractors imported without their t	302	552	806	
34	664.10	Elevator, hoist, winches, etc and conveyors and parts	775	535	246	
35	474.37	Paints and enamel paints	317	511	547	
36	609.24	Other wire of iron or steel	4	508	8	
37	167.31	Still wines containing not over 14 percent alcohol	285	503	201	
38	818.33	Medicinal, pharm. prod. donated by private age	235	481	35	
39	676.55	Office machine parts excluding typewriter parts	121	450	887	
40	141.32	Other vegetables, canned, or otherwise prepared or	223	435	288	
		Total	38,101	50,866	53,747	
		Total U.S. exports to the Leeward & Windward Is.:	77,335	95,742	116,986	

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-13.—Leading items imported from Costa Rica, by TSUS items  
1978, 1979, and January–November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <sup>1/</sup>	1978	1979	Jan.–Nov. 1980
1	160.10	Coffee crude roasted or ground	77,831	110,126	55,477
2	106.10	Beef and veal, fresh chilled or frozen	52,926	85,868	52,923
3	146.40	Bananas, fresh	75,961	79,604	84,745
4	155.20	Sugar, sirup, molasses principal crystalline or dr	6,681	18,392	37,424
5	156.10	Cocoa beans	12,386	9,186	1,788
6	376.28	Corsets, girdles, etc, not ornamented of any material	5,729	7,630	7,953
7	156.35	Cocoa butter	4,752	7,478	6,270
8	376.24	Lace or net brassiers etc and other ornamented, of	5,838	7,013	9,285
9	382.81	Other women, etc wearing apparel of other textile m	4,464	6,015	5,570
10	114.45	Shellfish nes fresh chilled frozen prepared or pre	3,288	5,388	6,012
11	382.78	Other women, etc wearing apparel of man-fibers knit	1,831	4,193	5,403
12	125.80	Live plants suitable for planting nspf	3,294	3,831	2/
13	156.40	Cocoa unsweeten and cocoa cake suitable for reduct	3,247	3,578	955
14	149.10	Plantains, fresh	1,728	3,296	3,502
15	156.20	Chocolate, unsweetened	0	2,991	0
16	382.33	Other women, girls, etc wearing apparel, of cotton, n k	1,938	2,581	2,554
17	800.00	United States goods returned	1,194	2,192	2,411
18	685.90	Switchboards panels, etc for makg connectg o brkg	2,426	1,955	2,098
19	126.41	Flower seeds	1,882	1,925	1,944
20	382.04	Women's etc lace or net wearing apparel of man-made	1,541	1,789	2,885
21	121.59	Leather, rough, not fancy, nes	455	1,640	2/
22	110.35	Fish nes, frsh chld or fzn, whole or beheaded etc	783	1,571	1,267
23	380.84	Othr men or boys wearng apparl of man-made fibr, n	1,049	1,288	1,013
24	382.06	Othr women, girls etc wearing apparel, of cotton kni	2,253	1,208	436
25	170.60	Scrap tobacco	2,560	1,186	461
26	138.50	Vegetables, fresh, chilled, or frozen, a cut, slic	840	1,166	2/
27	144.20	Mushrooms, prepared or preserved except dried	1,820	1,018	2/
28	727.55	Other furniture nes	980	1,017	639
29	382.00	Women's, girls', infants' lace or net wearing appa	646	1,017	733
30	240.03	Other veneers nes, not reinforced or backed	414	764	1,012
31	672.25	Sewing machine parts, nes	0	753	31
32	684.70	Microphones, loudspeaker, head phones etc and parts	1,514	743	820
33	152.72	Banana and plantain, paste and pulp	615	699	912
34	137.75	Chayote, fresh, chilled, or frozen	543	653	726
35	683.65	Electric lighting equipment for motor vehicles, an	1,358	641	0
36	772.20	Containers for packing etc merchandise, rubber or	428	566	805
37	722.12	Photographic cameras, fixed-focus	500	558	0
38	605.70	Precious metal sweepings and other precious metal	460	547	4,041
39	696.10	Yachts, or pleasure boats valued over \$15000 each	462	542	653
40	605.20	Gold or silver bullion, dore, and precipitates	36	507	562
		Total <sup>3/</sup>	286,654	383,116	303,310
		Total U.S. imports from Costa Rica	297,291	391,688	326,213

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.



Table A-14.--Leading items exported to Costa Rica, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)					
1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	252.78	Unbleached kraft wrapping and packaging paper and	16,919	21,477	21,983
2	130.65	Wheat (whether or not donated for relief)	11,978	17,222	17,867
3	694.40	Airplanes	1,739	14,866	14,882
4	444.16	Polyethylene resins (thermoplastic resins)	3,535	8,569	10,284
5	664.05	Mechanical shovel fr earth etc snow plows,etc and	4,664	8,407	3,470
6	376.25	Body supporting garments of any materials	6,974	7,932	7,224
7	818.90	Gen'l merchandise valued at \$500 or less	7,154	7,564	7,744
8	690.05	Rail locomotives and tenders	0	6,557	158
9	692.05	Automobile trucks except truck tractors	4,756	6,408	5,614
10	608.20	Alloy iron or steel ingots, blooms, etc	2,227	4,642	4,229
11	184.52	Soy bean and other vegetable oil cake and oil-cake	2,583	4,616	5,235
12	130.40	Grain sorghum	2,643	4,431	2,054
13	338.29	Woven fabric, man-made, of contin. man-made fibres	2,213	4,157	3,315
14	692.38	Parts of tractors, new or used (excl. item 692.40)	3,391	4,127	5,104
15	480.80	Those grades of substances used for fertilizers,et	4,575	3,930	5,832
16	661.35	Refrigerator a refrigerating equipment and parts	3,078	3,922	2,846
17	692.29	Automobile truck tractors,imported without their t	3,320	3,631	3,337
18	475.45	Lubricating oils from petrol and/or shale oil	2,805	3,566	3,743
19	383.49	Women's,girls's,infants sweaters, other, manmade f	3,897	3,542	3,593
20	660.54	Parts of internal combustion engines, nes	1,648	3,491	3,719
21	678.20	Machines for working mineral substances or product	3,884	3,388	1,819
22	666.00	Agricultural machinery etc,nsfp and parts -	4 063	3,366	4,023
23	486.28	Other organophosphorus insecticides, pesticides	2,935	3,076	765
24	433.10	Chemical mixtures and preparations, nsfp	2 216	2,942	3,173
25	444.15	Polyester resins, saturated	12	2,696	2,733
26	676.28	Automatic data processing machines	1,137	2,647	1,394
27	480.30	Urea, nes	3,703	2,629	1,581
28	685.90	Switchboards panels, etc for makg connectg o brkg	4,160	2,595	3,139
29	682.60	Generator,motor generator converters,etc,electrica	1,364	2,532	1,625
30	771.21	Film, strips and sheets of regenerated cellulose	1,332	2,499	2/
31	660.94	Submersible pumps a pumps and liquid elevators nes	2,614	2,456	2,706
32	383.27	Women's, girls', infants' wool, knit, trousers	3,622	2,425	1,641
33	692.10	Motor vehicles,exc motorcycles for transport,nes	1,376	2,363	2,152
34	678.35	Mchs for molding o forming rubr o plastic articles	2,129	2,323	945
35	309.42	Fibers, in noncontinuous form, not carded or other	771	2,250	1,762
36	446.15	Synthetic rubber	1,775	2,159	1,366
37	310.00	Yarns of manmade fibers other than glass, continuo	2,085	2,099	2,313
38	661.12	Compressors and parts	2,227	2,098	1,594
39	678.50	Machines, not specially provided for, and parts	2,510	2,055	2,385
40	321.29	Woven cotton fab bleached, n fancy, fig, or col of	1,715	2,027	2,357
		Total <sup>3/</sup>	135,629	193,733	171,704
		Total U.S. exports to Costa Rica	333,025	409,623	419,066

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-15.--Leading items imported from the Dominican Republic, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)						
1979 rank	TSUS No.	Description 1/	1978	1979	Jan.-Nov. 1980	
1	155.20	Sugar, sirup, molasses principal crystalline or dr	109,622	147,873	240,412	
2	160.10	Coffee crude roasted or ground	114,018	142,558	79,674	
3	156.10	Cocoa beans	83,751	77,202	50,013	
4	607.25	Ferronickel	29,685	48,727	2/	
5	601.06	Bauxite	21,488	22,411	14,552	
6	155.40	Sugar, sirup, molasses, etc.derived from sugar can	5,564	14,207	12,748	
7	376.24	Lace or net brassiers etc and other ornamented, of	8,440	11,689	12,222	
8	800.00	United States goods returned	10,675	10,929	10,618	
9	382.78	Other women,etc wearing apparel of man-fibers knit	6,930	10,472	12,768	
10	382.81	Other women,etc wearing apparel of other textile m	3,568	8,784	4,527	
11	706.08	Luggage and handbags of leather, nes -	8,518	8,642	2/	
12	376.28	Corsets,girdles,etc,not ornamented of any material	7,525	8,446	7,047	
13	605.20	Gold or silver bullion, dore, and precipitates	4,700	7,634	29,849	
14	427.52	Furfural	6,160	7,562	1,018	
15	380.84	Other men or boys wearng apparl of man-made fibr,n	5,632	6,696	5,911	
16	685.80	Electric capacitors, fixed or variable	5,258	6,512	5,703	
17	380.24	Mens or boys cotton pajamas, nt knit or ornamented	2,259	5,570	8,645	
18	791.26	Leather cut or shaped for conversion into footwear	0	5,103	2/	
19	170.60	Scrap tobacco	5,113	5,097	5,812	
20	685.90	Switchboards panels, etc for makg connectg o brkg	3,340	4,873	4,169	
21	141.55	Peas in brine packed in salt pckld or othwse pres,	3,359	4,561	4,258	
22	106.10	Beef and veal, fresh chilled or frozen	1,789	4,268	2,672	
23	182.98	Edible preparations nspf	4,675	3,723	2/	
24	380.27	Men or boys shirts of cotton not knit or ornamente	2,088	3,389	2,725	
25	170.66	Cigars each valued 15c or more	2,141	3,360	7,383	
26	136.00	Dasheens, fresh, chilled, or frozen	4,011	3,343	4,005	
27	688.15	Insulated electrical conductors with fittings nes	3,540	3,323	792	
28	386.50	Other cotton articles nspf exc knit pile or tufted	2,141	3,258	3,232	
29	806.20	Articles exported for repairs or alterations	2,012	2,899	2,640	
30	382.04	Women's etc lace or net wearing apparel of man-mad	1,977	2,399	2,767	
31	256.85	Articles, nspf, of papers, coated,lined, parchmnt	691	2,599	2/	
32	382.33	Other women,girls,etc wearing apparel,of cottn,n k	181	2,254	2,216	
33	137.86	Vegetable, fresh, chilled, or frozen, nspf	2,342	2,205	2/	
34	380.81	Othr men or boys wearng apparl of man-made fibr,kn	504	2,102	2,551	
35	156.35	Cocoa butter	1,054	2,079	2,490	
36	170.45	Tobacco filler leaf including cigar,stemmed,nes	1,542	2,077	1,995	
37	750.60	Artists brushes and hair pencils, over \$.10 each	1,674	1,990	1,920	
38	605.70	Precious metal sweepings and other precious metal	983	1,968	11,245	
39	145.04	Coconuts, in shell	1,821	1,859	2,064	
40	380.18	Men or boys dressing gowns,of cotton nt knit or or	1,187	1,676	1,389	
		Total 3/	482,258	616,822	562,030	
		Total U.S. imports from the Dominican Republic	533,677	633,644	730,440	

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-16.--Leading items exported to the Dominican Republic, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)

1979 rank	Sched B No.	Description 1/	1978	1979	Jan.-Oct. 1980
1	176.18	Cottonseed oil	6,625	26,078	16,664
2	130.65	Wheat (whether or not donated for relief)	20,260	23,659	23,914
3	170.12	Leaf tobacco, stemmed and unstemmed	15,600	22,878	17,333
4	176.52	Soybean oil	10,979	18,589	12,334
5	376.25	Body supporting garments of any materials	13,782	14,494	11,236
6	338.29	Woven fabric, man-made, of contin. man-made fibres	6,342	13,523	10,478
7	130.34	Corn or maize, not donated for relief or charity	9,627	13,467	21,607
8	177.56	Tallow	7,167	10,160	8,716
9	678.50	Machines, not specially provided for, and parts	6,966	8,333	8,487
10	685.90	Switchboards panels, etc for makg connectg o brkg	6,193	7,512	6,427
11	480.80	Those grades of substances used for fertilizers,et	5,257	7,277	13,456
12	818.90	Gen'l merchandise valued at \$500 or less	6,383	7,147	7,770
13	381.01	Cotton knit men's and boys pajamas, nightwear	5,713	6,180	6,031
14	682.60	Generator,motor generator converters,etc,electrica	2,243	6,178	8,504
15	664.05	Mechanical shovel fr earth etc snow plows,etc and	7,218	6,065	10,542
16	184.52	Soy bean and other vegetable oil cake and oil-cake	6,317	6,065	5,694
17	480.65	Nitrogenous fertilizers and fertilizer materials	4,716	5,698	8,652
18	444.23	Polyvinyl chloride and copolymer resins (PVC)	3,313	5,368	5,933
19	175.41	Other soybeans	7,501	5,228	7,173
20	310.00	Yarns of manmade fibers other than glass, continuo	3,409	5,070	4,203
21	182.97	Vegetable protein products derived from oil seeds	3,749	4,942	3,069
22	480.30	Urea, nes	3,043	4,902	6,973
23	383.27	Women's, girls', infants' wool, knit, trousers	3,376	4,432	4,519
24	170.81	Manufactured tobacco, nspf, smoking and other	2,221	4,387	2,040
25	202.08	Pine: (except eastern white, ponderosa and other)	351	4,335	5,078
26	517.61	Electrodes, part carbon or graphite,furnace o elec	1,112	4,265	3,175
27	252.78	Unbleached kraft wrapping and packaging paper and	1,460	4,219	5,744
28	692.29	Automobile truck tractors,imported without their t	4,183	4,148	4,161
29	692.10	Motor vehicles,exc motorcycles for transport,nes	3,932	4,080	2,090
30	140.08	Pinto beans	1,540	3,982	2,243
31	692.38	Parts of tractors, new or used (excl. item 692.40)	4,301	3,954	7,467
32	184.80	Animal feeds containing milk or milk derivatives	2,222	3,605	5,478
33	321.29	Woven cotton fab bleached, n fancy, fig, or col of	2,897	3,435	1,938
34	772.51	Pneumatic tires,nes	2,926	3,427	2,535
35	660.54	Parts of internal combustion engines, nes	1,581	3,365	2,766
36	475.45	Lubricating oils from petrol and/or shale oil	2,445	3,349	4,200
37	256.50	Household and sanitary products of paper	1,981	3,313	1,504
38	661.35	Refrigerator a refrigerating equipment and parts	2,310	3,115	1,737
39	480.50	Potassium chloride or muriate of potash	1,751	3,107	5,434
40	666.00	Agricultural machinery etc,nspf and parts -	2,155	2,856	5,396
		Total	204,545	296,185	292,700
		Total U.S. exports to the Dominican Republic	467,584	602,738	666,943

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-17.--Leading items imported from El Salvador, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description 1/	1978	1979	Jan.-Nov. 1980
1	160.10	Coffee crude roasted or ground	114,362	219,600	224,029
2	687.60	Electronic tubes, photocells, transistors, etc and p	40,936	48,306	2/
3	155.20	Sugar, sirup, molasses principal crystalline or dr	26,113	27,290	21,446
4	114.45	Shellfish nes fresh chilled frozen prepared or pre	12,427	19,739	17,238
5	685.80	Electric capacitors, fixed or variable	4,501	15,123	15,379
6	106.10	Beef and veal, fresh chilled or frozen	7,958	12,879	5,496
7	686.10	Resistors inc potentiometers and parts	4,391	12,083	5,377
8	382.81	Other women, etc wearing apparel of other textile m	12,445	11,187	1,322
9	676.20	Calculating machines for multiplying and dividing	9,148	6,107	6,826
10	676.52	Office machine parts nes	4,061	5,178	3,943
11	366.24	Towels, cotton, pile or tufted ov 45ct ea over \$1.45	2,769	4,819	4,271
12	686.24	Automatic voltage a voltage- current regulators ne	2,855	4,417	4,982
13	160.20	Coffee, soluble or instant, not cntng sugar or oth	3,735	4,367	2,574
14	382.04	Women's etc lace or net wearing apparel of man-mad	4,672	3,381	2,366
15	376.24	Lace or net brassiers etc and other ornamented, of	2,517	3,311	1,371
16	700.58	Footwear having uppers ov 90% of ext surface area	363	3,220	257
17	380.66	Other men or boys wearing apparel of wool, nt knit	2,663	3,010	429
18	800.00	United States goods returned	2,339	2,255	2,699
19	704.32	Lace or net gloves, etc., of man-made fibers	1,644	1,897	1,581
20	382.33	Other women, girls, etc wearing apparel, of cottn, n k	1,918	1,881	227
21	380.06	Other men or boys wearing apparel, not ornamented, o	543	1,804	1,398
22	709.45	Oxygen therapy etc apparatus gas masks etc, and pa	1,195	1,797	1,819
23	382.78	Other women, etc wearing apparel of man-fibers knit	1,965	1,684	162
24	688.40	Electrical articles and elect part of articles nsp	0	1,534	0
25	720.75	Assemblies etc, for wtch movmnt, 2 or more pieces jo	4,006	1,521	0
26	156.20	Chocolate, unsweetened	780	1,515	0
27	188.24	Other balsams nspf, natural and not artificially m	1,020	1,375	1,419
28	376.28	Corsets, girdles, etc, not ornamented of any material	1,571	1,238	1,706
29	155.40	Sugar, sirup, molasses, etc. derived from sugar can	1,348	1,028	0
30	301.30	Yarn wh cot not bleached mercerized col combed or	1,085	964	899
31	737.22	Dolls, and parts of dolls, including doll clothing, n	369	862	363
32	380.84	Othr men or boys wearng apparl of man-made fibr, n	421	751	77
33	382.00	Women's, girls', infants' lace or net wearing appa	892	723	69
34	685.70	Electric sound or visual signaling apparatus a par	756	689	7
35	700.80	Footwear, uppers of fibers, soles other than leath	0	635	0
36	138.05	Bröccoli, cauliflower a okra, frsh, ch o froz a cut, s	195	604	835
37	380.39	Other men or boys wearing apparel of cottn, not kni	20	596	151
38	734.20	Game machines including coin and disc operated and	0	578	599
39	772.20	Containers for packing etc merchandise, rubber or	104	566	668
40	774.60	Articles of rubber or plastics nspf	1,361	546	2/
		Total 3/	279,449	431,062	331,986
		Total U.S. imports from El Salvador	291,957	443,167	379,810

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-18.--Leading items exported to El Salvador, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)							
1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980		
1	687.60	Electronic tubes, photocells, transistors, etc and p	25,287	25,893	26,067		
2	130.65	Wheat (whether or not donated for relief)	14,814	19,013	16,398		
3	177.56	Tallow	8,759	12,785	6,642		
4	686.10	Resistors inc potentiometers and parts	4,557	10,394	434		
5	685.80	Electric capacitors, fixed or variable	3,197	8,430	12,443		
6	480.80	Those grades of substances used for fertilizers, et	8,647	7,903	8,259		
7	338.29	Woven fabric, man-made, of contin. man-made fibres	6,664	6,313	1,007		
8	676.55	Office machine parts excluding typewriter parts	5,150	5,836	3,190		
9	310.00	Yarns of manmade fibers other than glass, continuo	6,293	5,389	3,204		
10	818.90	Gen'l merchandise valued at \$500 or less	6,898	5,231	3,302		
11	184.52	Soy bean and other vegetable oil cake and oil-cake	4,363	5,179	4,494		
12	678.50	Machines, not specially provided for, and parts	8,548	5,027	2,597		
13	475.45	Lubricating oils from petrol and/or shale oil	2,270	5,020	5,062		
14	444.16	Polyethylene resins (ther. oplastic resins)	2,309	5,007	3,459		
15	664.05	Mechanical shovel fr earth etc snow plows, etc and	5,129	4,005	1,048		
16	685.27	Citizens band(cb) radio transceivers(except hand-h	1,907	3,567	2,236		
17	660.94	Submersible pumps a pumps and liquid elevators nes	2,238	3,445	1,634		
18	383.59	Robes, dressing gowns, other non-knit, man-made	3,307	3,295	2,463		
19	383.27	Women's, girls', infants' wool, knit, trousers	3,094	3,294	1,162		
20	404.05	Hydrocarbons, except derivatives	2,005	3,278	1,986		
21	309.42	Fibers, in noncontinuous form, not carded or other	3,157	3,261	3,768		
22	692.10	Motor vehicles, exc motorcycles for transport, nes	3,201	3,062	888		
23	692.05	Automobile trucks except truck tractors	4,759	3,010	788		
24	433.10	Chemical mixtures and preparations, ns pf	2,307	2,973	1,916		
25	376.25	Body supporting garments of any materials	2,525	2,779	1,577		
26	771.21	Film, strips and sheets of regenerated cellulose	2,845	2,746	2/		
27	480.30	Urea, nes	4,878	2,685	2,002		
28	252.78	Unbleached kraft wrapping and packaging paper and	4,404	2,680	5,153		
29	692.38	Parts of tractors, new or used (excl. item 692.40)	1,994	2,582	1,170		
30	661.35	Refrigerator a refrigerating equipment and parts	2,967	2,505	631		
31	252.84	Wrap paper ov 18 lbs/ream. sulphite, incl machine	2,331	2,292	1,137		
32	480.70	Phosphatic fertilizers and fertilizer materials, n	0	2,284	0		
33	685.70	Electric sound or visual signaling apparatus a par	361	2,207	977		
34	692.29	Automobile truck tractors, imported without their t	2,186	2,197	1,044		
35	130.34	Corn or maize, not donated for relief or charity	8,424	2,139	1,686		
36	176.52	Soybean oil	275	1,943	535		
37	444.54	Epoxy resins	957	1,876	1,631		
38	656.18	Other articles of precious metal, incl. rolled	857	1,830	2,342		
39	309.32	Polyester and acrylic grouped filaments and strips	175	1,812	1,980		
40	480.65	Nitrogenous fertilizers and fertilizer materials	1,676	1,784	2,294		
		Total	175,315	196,950	138,607		
		Total U.S. exports to El Salvador	359,027	345,251	226,367		

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-19.--Leading items imported from the French West Indies, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)							
1979 rank	TSUS No.	Description <sup>1/</sup>	1978	1979	Jan.-Nov. 1980		
1	688.40	Electrical articles and elect part of articles nsp	95	648	210		
2	800.00	United States goods returned	161	579	1,733		
3	521.11	Asphaltum, bitumen and limestone rock asphalt	0	471	0		
4	156.10	Cocoa beans	72	452	163		
5	687.60	Electronic tubes, photocells, transistors, etc and p	644	253	2/		
6	184.10	Bran, shorts, and middlings obtained in milling gr	317	238	42		
7	439.10	Natural drugs, crude	154	194	0		
8	511.14	Hydraulic cement nes and cement clinker -	0	133	0		
9	666.20	Machinery for use in manufacture of sugar and pts	36	107	60		
10	110.10	Sea herring smelts and tuna fresh chilled or froze	0	97	0		
11	114.45	Shellfish nes fresh chilled frozen prepared or pre	113	94	128		
12	202.64	Wood moldings other than pine	0	67	0		
13	685.90	Switchboards panels, etc for makg connectg o brkg	150	42	22		
14	382.04	Women's etc lace or net wearing apparel of man-mad	0	40	29		
15	704.32	Lace or net gloves, etc., of man-made fibers	0	33	19		
16	745.34	Buttons, nspf	14	33	0		
17	170.66	Cigars each valued 15¢ or more	12	25	0		
18	682.60	Generator, motor generator: converters, etc, electrica	2	21	34		
19	618.10	Aluminum waste a scrap	4	16	16		
20	676.52	Office machine parts nes	31	16	6		
21	155.35	Sugars sirups, etc containing non-sugar solids ov 6	31	16	17		
22	720.02	Clock movement, assembled, und 1.77 in., 0 or 1 jwl,	0	15	0		
23	765.03	Paintings, pastels, drawings etc, by hand, origina	19	13	8		
24	792.50	Articles of shell nspf	0	11	2		
25	274.70	Photos, engrvgs, etc, nspf, not lithos, not ov 2o yrs o	1	11	18		
26	274.40	Stamps, postage and revenue, and govt stamped envlp	73	11	7		
27	999.95	Under \$251 formal and informal entries estimated	24	10	39		
28	724.10	Motion-picture film, nes	2	10	3		
29	165.46	Pineapple juice, concentratd etc nov 1% ethyl alco	0	9	0		
30	652.86	Hairsprings of base metal	0	8	0		
31	120.14	Cattle hides, whole, raw or cured, ov 12 lbs dry o	0	8	0		
32	100.95	Live animals, except birds, nes	1	6	3		
33	535.31	Sanitary ware inc plumbing fixtures etc of ceramic	0	5	0		
34	684.70	Microphones, loudspeaker, head phones etc and parts	0	5	0		
35	666.00	Agricultural machinery etc, nspf and parts -	45	5	0		
36	437.76	Viruses, serums toxins, and biological products et	4	5	0		
37	168.40	Rum including cana paraguayana	55	4	2/		
38	706.60	Luggage, handbags, and flat good of other materials,	29	4	0		
39	653.22	Metal coins	3	4	0		
40	222.40	Baskets a bags, bamboo	0	4	0		
		Total <sup>3/</sup>	2,091	3,723	2,560		
		Total U.S. imports from the French West Indies	4,308	3,773	50,665		

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-20.--Leading items exported to the French West Indies, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)						
1979 rank	Sched B No.	Description <u>1/</u>	1978	1979	Jan.-Oct. 1980	
1	694.40	Airplanes	4,800	4,618	67	
2	252.78	Unbleached kraft wrapping and packaging paper and	7,913	3,131	2,346	
3	130.34	Corn or maize, not donated for relief or charity	1,199	2,476	1,994	
4	818.90	Gen'l merchandise valued at \$500 or less	1,124	2,267	2,105	
5	618.06	Unwrought alloys of aluminum nes	765	1,628	1,976	
6	661.35	Refrigerator a refrigerating equipment and parts	1,329	1,420	1,498	
7	696.07	Ships, boats and other vessels (military and non.)	474	1,394	1,333	
8	140.12	Red kidney beans	1,254	1,040	932	
9	692.38	Parts of tractors, new or used (excl. item 692.40)	733	1,035	1,285	
10	166.25	Carbonated soft drinks	313	924	495	
11	661.22	Air-conditioning machines and parts w/ motor drive	588	909	984	
12	692.10	Motor vehicles,exc motorcycles for transport,nes	561	839	1,025	
13	252.80	Bleached kraft wrapping and packaging paper,board	0	815	18	
14	338.29	Woven fabric, man-made, of contin. man-made fibres	486	781	613	
15	202.08	Pine: (except eastern white, ponderosa and other)	86	778	804	
16	107.37	Pork, prepared or preserved, except sausages	404	716	340	
17	660.48	Piston-type engines other than compression-ignitio	617	686	451	
18	130.65	Wheat (whether or not donated for relief)	755	685	666	
19	664.05	Mechanical shovel fr earth etc snow plows,etc and	363	677	712	
20	184.52	Soy bean and other vegetable oil cake and oil-cake	436	618	694	
21	252.65	Standard newsprint paper	354	571	479	
22	678.20	Machines for working mineral substances or product	0	541	23	
23	692.05	Automobile trucks except truck tractors	146	511	139	
24	692.16	Motor vehicles, designed for special services or f	6	499	140	
25	652.92	Door and window frames, iron or steel, except stai	355	486	595	
26	106.84	Beef livers	150	421	358	
27	692.31	Automobile truck tractors imported without their t	136	412	1,121	
28	480.80	Those grades of substances used for fertilizers,et	200	409	3	
29	724.26	Phonograph records	378	397	365	
30	660.52	Parts of piston-type engines except compression-ig	431	378	358	
31	131.30	Rice, milled, bran removed, fit for human consumpt	343	371	431	
32	106.86	Other beef	420	368	614	
33	182.20	Biscuits,cake, wafers, simlr baked products and pu	196	368	369	
34	146.10	Apples, fresh	84	359	496	
35	662.12	Machinery for clearing or drying containers,filli	76	352	80	
36	155.75	Sugars, sirups, and molasses blended, flavored or	281	333	257	
37	475.45	Lubricating oils from petrol and/or shale oil	315	323	411	
38	200.35	Logs and timber, rough, split, etc but not made in	0	321	334	
39	676.26	Analog and hybrid machines,w. input/output capabil	0	315	0	
40	252.82	Other wrapping and packaging paper and paperboard	0	314	13	
		Total	28,112	35,487	26,921	
		Total U.S. exports to the French West Indies	45,101	56,482	52,804	

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-21.--Leading items imported from Guatemala, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980
1	160.10	Coffee crude roasted or ground	204,968	253,960	183,778
2	106.10	Beef and veal, fresh chilled or frozen	27,136	40,780	21,959
3	155.20	Sugar, sirup, molasses principal crystalline or dr	24,493	29,477	95,522
4	146.40	Bananas, fresh	17,993	17,815	29,093
5	114.45	Shellfish nes fresh chilled frozen prepared or pre	10,594	13,199	11,826
6	170.60	Scrap tobacco	5,411	5,930	1,125
7	175.45	Sesame seed	5,569	5,923	4,475
8	156.10	Cocoa beans	9,039	4,409	914
9	800.00	United States goods returned	6,169	3,901	6,375
10	155.40	Sugar, sirup, molasses, etc.derived from sugar can	2,283	3,565	3,161
11	125.80	Live plants suitable for planting nspf	2,358	3,021	2/
12	138.05	Broccoli,cauliflower a okra,frsh,ch o froz a cut,s	1,358	2,183	2,705
13	325.20	Woven cotton fab, fcy or fig, col, whether or not	2,063	1,906	2,170
14	705.83	Seamless gloves of rubber or plastics,nes	1,316	1,835	2,780
15	193.25	Vegetable substance, crude and nspf	1,392	1,734	1,616
16	160.20	Coffee, soluble or instan, not cntng sugar or oth	427	1,669	668
17	126.41	Flower seeds	825	1,093	902
18	137.01	Peas, frsh, chilled, or froz entering oct 1 to jun	485	843	2/
19	161.11	Cardamon	968	712	566
20	207.00	Articles nspf, of wood	156	653	536
21	452.36	Lemon grass oil	526	592	399
22	170.28	Cig leaf,nt stemmed,oriental or turkish type,nov 8	59	551	272
23	184.52	Soy bean and other vegetable oil cake and oil-cake	0	543	2/
24	240.03	Other veneers nes, not reinforced or backed	397	452	15
25	727.55	Other furniture nes	206	450	723
26	700.29	Welt footwear of leather nes,valued over \$6.80 per	157	445	416
27	999.95	Under \$251 formal and informal entries estimated	786	417	302
28	300.30	Cotton linters	11	408	0
29	700.45	Leather footwear nes, valued over \$2.50 per pair	683	389	615
30	790.10	Dog leads, collars, muzzles etc. and similar dog e	183	381	365
31	192.20	Cut flowers,fresh,incl bouquets,etc,from such flow	600	334	2/
32	766.25	Antiques,nes	384	333	371
33	648.65	Machetes and parts thereof	425	327	318
34	149.10	Plantains, fresh	624	299	57
35	322.20	Woven cotton fab, col, n fncy or fig, whether or n	559	288	435
36	100.31	Birds, live, nspf, valued over 5 dollars each	178	283	122
37	380.39	Other men or boys wearing apparel of cotto,not kni	199	278	93
38	188.32	Chicle, crude	794	275	0
39	136.80	Okra, fresh, chilled, or frozen	420	273	271
40	155.70	Honey	62	270	1
		Total <u>3/</u>	332,356	402,197	374,946
		Total U.S. imports from Guatemala	340,310	408,977	408,196

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.



Table A-22.--Leading items exported to Guatemala, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)						
1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980	
1	664.05	Mechanical shovel fr earth etc snow plows,etc and	9,724	25,017	22,625	
2	130.65	Wheat (whether or not donated for relief)	11,768	14,263	16,371	
3	694.40	Airplanes	6,075	10,927	8,584	
4	444.16	Polyethylene resins (thermoplastic resins)	4,551	10,286	17,296	
5	480.80	Those grades of substances used for fertilizers,et	3,410	9,005	9,433	
6	692.10	Motor vehicles,exc motorcycles for transport,nes	10,561	8,889	3,900	
7	252.78	Unbleached kraft wrapping and packaging paper and	5,603	7,465	10,096	
8	818.90	Gen'l merchandise valued at \$500 or less	7,020	7,118	7,033	
9	692.38	Parts of tractors, new or used (excl. item 692.40)	5,837	6,732	6,038	
10	692.29	Automobile truck tractors,imported without their t	4,626	5,821	4,780	
11	182.97	Vegetable protein products derived from oil seeds	4,325	5,671	5,351	
12	486.29	Other organophosphorus pesticides	4,835	5,227	3,448	
13	692.05	Automobile trucks except truck tractors	6,335	5,204	9,384	
14	692.31	Automobile truck tractors imported without their t	3,664	5,199	4,176	
15	666.00	Agricultural machinery etc,ns pf and parts -	5,565	5,146	2,374	
16	177.56	Tallow	3,412	5,090	5,975	
17	130.34	Corn or maize, not donated for relief or charity	6,844	4,597	12,303	
18	250.02	Wood,rag,other pulps+suitable for paper making	3,628	4,507	5,361	
19	184.52	Soy bean and other vegetable oil cake and oil-cake	4,472	4,273	5,490	
20	475.67	Mixtures of hydrocarbons ns pf derived from petrole	749	4,234	525	
21	660.54	Parts of internal combustion engines, nes	7,101	4,200	3,033	
22	660.94	Submersible pumps a pumps and liquid elevators nes	3,127	4,003	3,681	
23	486.95	Other pesticide preparations	2,050	3,995	410	
24	433.10	Chemical mixtures and preparations, ns pf	2,145	3,681	4,705	
25	610.39	Pipe n alloy steel api, rot threaded or otherwise	400	3,641	3,112	
26	475.45	Lubricating oils from petrol and/or shale oil	2,891	3,623	3,359	
27	682.60	Generator,motor generator converters,etc,electric	2,125	3,573	1,929	
28	310.00	Yarns of manmade fibers other than glass, continuo	2,980	3,571	4,424	
29	652.91	Structures of iron and steel	5,533	3,299	3,239	
30	666.25	Industrial machinery fr prepar a manufacturg food/	2,371	3,255	2,060	
31	662.12	Machinery for clearning or drying containers,filli	1,915	3,116	1,392	
32	608.20	Alloy iron or steel ingots, blooms, etc	673	3,105	1,293	
33	486.26	Methyl parathion	1,528	3,103	2,599	
34	357.80	Textile fabrics for use in pneumatic tires	2,467	3,090	3,189	
35	678.50	Machines, not specially provided for, and parts	3,449	3,028	1,543	
36	685.90	Switchboards panels, etc for makg connectg o brkg	2,220	2,764	1,960	
37	692.33	Parts ns pf of motor vehicles,not alloyed nor advan	2,658	2,755	441	
38	661.35	Refrigerator a refrigerating equipment and parts	3,085	2,690	1,348	
39	684.62	Telephonic apparatus and instruments and parts	7,976	2,617	2,011	
40	309.42	Fibers, in noncontinuous form, not carded or other	953	2,502	3,151	
		Total	170,751	220,282	209,421	
		Total U.S. exports to Guatemala	393,448	457,797	448,764	

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-23.--Leading items imported from Haiti, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980
1	734.56	Baseball equipment and parts, nes	24,451	28,437	27,583
2	601.06	Bauxite	14,113	15,062	10,103
3	382.81	Other women,etc wearing apparel of other textile m	8,421	8,786	7,604
4	685.90	Switchboards panels, etc for makg connectg o brkg	3,115	8,466	11,034
5	382.78	Other women,etc wearing apparel of man-fibers knit	8,299	8,008	7,286
6	376.24	Lace or net brassiers etc and other ornamented, of	4,922	7,995	8,608
7	160.10	Coffee crude roasted or ground	13,158	7,579	9,015
8	737.95	Toys and parts, nspf, not having a spring mechanis	6,243	6,547	6,735
9	676.52	Office machine parts nes	5,659	6,314	3,640
10	382.04	Women's etc lace or net wearing apparel of man-mad	5,759	6,236	6,869
11	683.60	Ign magnetos,coils a othr elec start a ign equipme	4,149	5,774	6,400
12	156.10	Cocoa beans	7,442	5,341	2,617
13	678.50	Machines, not specially provided for, and parts	2,886	4,127	4,347
14	684.62	Telephonic apparatus and instruments and parts	939	3,927	6,056
15	791.60	Belts and buckles, leather, to be worn on the pers	3,529	3,244	3,113
16	791.26	Leather cut or shaped for conversion into footwear	0	3,219	2/
17	376.28	Corsets,girdles,etc,not ornamented of any material	2,206	2,825	2,636
18	686.10	Resistors inc potentiometers and parts	2,107	2,749	2,280
19	682.60	Generator,motor generator converters,etc,electrica	2,469	2,508	2,834
20	155.20	Sugar, sirup, molasses principal crystalline or dr	1,222	2,497	5,120
21	452.68	Vetivert oil	7,117	2,477	2,586
22	380.84	Othr men or boys wearng apparel of man-made fibr,n	1,680	2,380	2,247
23	315.20	Binder a baler twine,hard leaf vegetabl fiber,not	1,207	2,323	4,812
24	382.33	Other women,girls,etc wearing apparel,of cotton,n k	1,933	2,305	2,461
25	800.00	United States goods returned	2,163	2,280	2,162
26	687.60	Electronic tubes,photocells, transistors,etc and p	1,984	2,233	2/
27	106.10	Beef and veal, fresh chilled or frozen	1,726	2,026	1,161
28	222.44	Bskts and bags of unspun veg materials, nes	1,369	1,994	1,075
29	765.03	Paintings, pastels, drawings etc, by hand, origina	361	1,991	297
30	222.42	Baskets and bags, of rattan or of palm leaf	1,460	1,989	1,294
31	685.80	Electric capacitors, fixed or variable	3,518	1,895	4,969
32	452.38	Lime oil	1,401	1,821	1,418
33	706.24	Other luggage handbags a flat goods nes of other t	40	1,749	1,251
34	737.21	Doll clothing imported separately from dolls and p	657	1,710	513
35	120.20	Hides and skins, ex bovine and furskins, raw or cu	710	1,652	243
36	114.45	Shellfish nes fresh chilled frozen prepared or pre	1,301	1,647	2,136
37	388.40	Wool articles nspf not ornamented nes	892	1,629	1,386
38	688.15	Insulated electrical conductors with fittings nes	1,110	1,497	2,815
39	378.05	Lace or net underwear orn or nt orn and other unde	542	1,356	2,377
40	703.10	Headwear of man-made fiber not part braid, knit	789	1,280	950
		Total <u>3/</u>	154,650	177,875	170,032
		Total U.S. imports from Haiti	193,679	222,093	232,878

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-24.----Leading items exported to Haiti, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)					
1979 rank	Sched B No.	Description <u>1/</u>	1978	1979	Jan.-Oct. 1980
1	734.55	Baseball and softball equipmt,incl.balls, parts	14,625	14,569	13,981
2	176.52	Soybean oil	9,429	13,592	13,268
3	676.55	Office machine parts excluding typewriter parts	6,228	11,455	5,680
4	177.56	Tallow	4,490	6,006	6,538
5	683.60	Ign magnetos,coils a othr elec start a ign equipme	3,715	5,987	5,603
6	376.25	Body supporting garments of any materials	3,185	5,474	5,129
7	818.90	Gen'l merchandise valued at \$500 or less	7,111	5,435	5,386
8	131.30	Rice, milled, bran removed, fit for human consumpt	3,447	5,250	7,407
9	130.65	Wheat (whether or not donated for relief)	3,942	5,192	16,059
10	374.00	Pantyhose	1,840	3,937	2,064
11	131.40	Wheat, milled, fit for human consumption -	2,590	3,681	1,080
12	386.11	Other cotton articles nspf	3,959	3,558	2,756
13	685.90	Switchboards panels, etc for makg connectg o brkg	1,956	3,199	2,975
14	684.62	Telephonic apparatus and instruments and parts	1,217	2,863	4,367
15	688.40	Electrical articles and elect part of articles nsp	4,765	2,446	3,189
16	664.05	Mechanical shovel fr earth etc snow plows,etc and	2,590	2,399	1,125
17	692.05	Automobile trucks except truck tractors	3,417	2,385	2,560
18	359.00	Textile fabrics, nspf	1,139	2,337	2,528
19	682.60	Generator,motor generator converters,etc,electrica	756	2,225	1,398
20	692.10	Motor vehicles,exc motorcycles for transport,nes	2,669	2,213	2,314
21	678.50	Machines, not specially provided for, and parts	1,118	2,108	2,325
22	687.60	Electronic tubes,photocels, transistors,etc and p	1,887	1,925	2,280
23	338.29	Woven fabric, man-made, of contin. man-made fibres	1,557	1,918	3,044
24	353.50	Ornamented fabric in the piece and ornamented moti	1,221	1,820	354
25	256.57	Paper and paperboard packing containers(ex.office)	775	1,819	1,409
26	737.36	Toy figures of animate objects, not stuffed	804	1,737	1,877
27	383.59	Robes,dressing gowns,other non-knit, man-made	642	1,553	1,878
28	737.90	Toys, and parts of toys, nspf	1,452	1,531	2,551
29	672.16	Sewing machines,not for industrial or commercial u	736	1,520	507
30	737.20	Dolls, and parts of dolls including clothing	1,476	1,504	605
31	608.20	Alloy iron or steel ingots, blooms, etc	1,124	1,477	3,225
32	383.75	Women's girls coats and jackets, not knit	562	1,444	2,106
33	202.08	Pine: (except eastern white, ponderosa and other)	1,130	1,440	1,798
34	706.07	Leather handbags valued not over \$20 each,not of r	627	1,392	2,725
35	791.22	Leather suitable for conversion into footwear,welt	614	1,374	2,836
36	182.97	Vegetable protein products derived from oil seeds	1,550	1,347	1,917
37	310.00	Yarns of manmade fibers other than glass, continuo	797	1,267	726
38	795.00	Any item nspf in Schedule B of TSUS	549	1,250	2,058
39	661.35	Refrigerator a refrigerating equipment and parts	1,019	1,223	1,317
40	347.76	Other narrow, nonelastic fabrics	843	1,223	489
		Total	103,752	135,086	141,435
		Total U.S. exports to Haiti	198,187	237,838	251,559

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-25.—Leading items imported from Honduras, by TSUS items  
1978, 1979, and January–November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <sup>1/</sup>	1978	1979	Jan.–Nov. 1980
1	146.40	Bananas, fresh	90,164	108,341	106,905
2	160.10	Coffee crude roasted or ground	120,314	102,694	68,494
3	106.10	Beef and veal, fresh chilled or frozen	36,742	62,617	56,178
4	114.45	Shellfish nes fresh chilled frozen prepared or pre	16,155	26,929	24,586
5	155.20	Sugar, sirup, molasses principal crystalline or dr	6,591	14,282	39,782
6	601.66	Other metal-bearing ores	7,508	14,201	16,527
7	602.10	All lead-bearing ores	10,050	12,814	3,943
8	202.09	Pine lumber, nes	4,046	5,766	3,457
9	800.00	United States goods returned	2,938	5,630	2,948
10	206.50	Wood handles, broom a mop, 3/4 in or more by 38 in	1,685	5,222	3,493
11	602.20	All zinc-bearing ores	4,887	5,112	2,558
12	170.66	Cigars each valued 15¢ or more	3,114	4,083	6,170
13	148.96	Pineapples, fresh, in packages other than crates	4,413	4,032	4,398
14	155.40	Sugar, sirup, molasses, etc.derived from sugar can	1,180	3,436	3,932
15	376.28	Corsets,girdles,etc,not ornamented of any material	1,946	3,129	3,748
16	125.80	Live plants suitable for planting nspf	2,015	2,555	2/
17	376.24	Lace or net brassiers etc: and other ornamented, of	1,084	2,540	3,234
18	175.45	Sesame seed	941	2,239	2,004
19	200.91	Softwood dowel rods and pins plain	2,399	1,932	3,956
20	170.60	Scrap tobacco	2,332	1,514	881
21	727.55	Other furniture nes	844	1,427	1,339
22	727.40	Furniture parts of wood,nspf	1,245	1,321	1,039
23	170.10	Wrapper tobacco not stemmed	958	1,298	1,515
24	170.45	Tobacco filler leaf including cigar,stemmed,nes	1,289	1,288	748
25	152.72	Banana and plantain, paste and pulp	750	1,154	1,439
26	734.56	Baseball equipment and parts, nes	487	1,057	1,968
27	202.66	Wood moldings, carvings and ornaments for decorati	41	993	273
28	382.81	Other women,etc wearing apparel of other textile m	130	896	834
29	156.10	Cocoa beans	967	809	429
30	170.40	Filler tobacco leaf,including cigar,not stemmed,ns	570	772	485
31	188.20	Balsams, styrax, natural	282	753	286
32	696.10	Yachts, or pleasure boats valued over \$15000 each	176	628	559
33	666.00	Agricultural machinery etc,nspf and parts -	740	575	700
34	145.04	Coconuts, in shell	806	557	404
35	240.21	Plywood,nes,softwd face, no face finsh,or clear fa	289	510	270
36	107.60	Beefand veal, prep or preserved nspf valued over 3	1	477	2/
37	188.50	Turpentine, spirits and gum of, and rosin -	21	436	210
38	727.35	Furniture, wood nspf	648	382	185
39	148.12	Fresh cantaloupes,ent from decl in any yr,to follo	178	344	408
40	207.00	Articles nspf, of wood	64	342	826
		Total <sup>3/</sup>	330,992	405,086	371,108
		Total U.S. imports from Honduras	337,837	411,506	384,605

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-26.--Leading items exported to Honduras, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)						
1979 rank	Sched B No.	Description <u>1/</u>	1978	1979	Jan.-Oct. 1980	
1	252.78	Unbleached kraft wrapping and packaging paper and	12,721	19,559	19,988	
2	130.65	Wheat (whether or not donated for relief)	8,984	11,230	10,406	
3	818.90	Gen'l merchandise valued at \$500 or less	6,796	7,594	7,286	
4	444.16	Polyethylene resins (thermoplastic resins)	2,792	7,326	6,921	
5	664.05	Mechanical shovel fr earth etc snow plows,etc and	11,515	6,764	5,092	
6	486.72	Preparations containing dithiocarbamic acid, salts	3,851	6,255	5,356	
7	310.00	Yarns of manmade fibers other than glass, continuo	2,217	4,765	1,554	
8	692.38	Parts of tractors, new or used (excl. item 692.40)	6,006	4,662	6,060	
9	661.35	Refrigerator a refrigerating equipment and parts	2,929	4,554	2,729	
10	475.45	Lubricating oils from petrol and/or shale oil	2,648	3,980	3,138	
11	692.05	Automobile trucks except truck tractors	5,141	3,816	2,341	
12	692.29	Automobile truck tractors,imported without their t	2,927	3,773	3,149	
13	694.40	Airplanes	1,119	3,310	111	
14	444.23	Polyvinyl chloride and copolymer resins (PVC)	1,505	3,220	1,782	
15	338.29	Woven fabric, man-made, cf contin. man-made fibres	1,976	3,198	2,644	
16	486.79	Other fungicides	1,504	3,194	1,483	
17	692.10	Motor vehicles,exc motorcycles for transport,nes	3,738	3,106	2,035	
18	177.56	Tallow	4,439	3,042	4,125	
19	376.25	Body supporting garments of any materials	2,031	2,928	3,517	
20	660.54	Parts of internal combustion engines, nes	1,835	2,821	1,899	
21	664.10	Elevator,hoist,winches,etc and conveyors and parts	2,845	2,777	2,313	
22	184.52	Soy bean and other vegetable oil cake and oil-cake	2,049	2,763	2,442	
23	666.00	Agricultural machinery etc,ns pf and parts -	2,577	2,753	2,133	
24	404.05	Hydrocarbons, except derivatives	749	2,661	3,086	
25	480.30	Urea, nes	726	2,489	4,149	
26	692.33	Parts ns pf of motor vehicles,not alloyed nor advan	3,147	2,413	1,718	
27	652.91	Structures of iron and steel	2,335	2,366	1,293	
28	666.25	Industrial machinery fr prepar a manufacturng food/	952	2,263	1,276	
29	660.94	Submersible pumps a pumps and liquid elevators nes	2,595	2,246	2,648	
30	772.51	Pneumatic tires,nes	1,699	2,192	2,179	
31	182.97	Vegetable protein products derived from oil seeds	1,721	2,182	3,462	
32	685.90	Switchboards panels, etc for makg connectg o brkg	1,727	2,075	2,515	
33	692.31	Automobile truck tractors imported without their t	7,845	2,066	2,431	
34	444.17	Polypropylene resins (excl. amorphorus, atactic)	669	2,025	1,056	
35	480.80	Those grades of substances used for fertilizers,et	2,966	1,914	3,239	
36	661.22	Air-conditioning machines and parts w/ motor drive	1,084	1,867	973	
37	692.08	Automobile truck tractors, gasoline fueled, new	1,955	1,785	960	
38	771.21	Film, strips and strips of regenerated cellulose	1,377	1,757	2/	
39	433.10	Chemical mixtures and preparations, ns pf	1,537	1,731	1,822	
40	682.60	Generator,motor generator converters,etc,electrica	1,527	1,704	2,324	
:	:	Total <u>3/</u>	128,759	153,126	133,638	
:	:	Total U.S. exports to Honduras	282,302	317,925	308,313	
:	:		:	:	:	

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-27.--Leading items imported from Jamaica, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)						
1979 rank	TSUS No.	Description <sup>1/</sup>	1978	1979	Jan.-Nov. 1980	
1	601.06	Bauxite	234,685	220,214	179,326	
2	417.12	Aluminum hydroxide and oxide or alumina	113,313	106,120	97,582	
3	155.20	Sugar, sirup, molasses principal crystalline or dr	3,466	9,468	27,662	
4	170.66	Cigars each valued 15¢ or more	5,587	6,661	8,059	
5	168.33	Cordials, liqueurs, kirschwasser a ratafia	4,286	3,501	2/	
6	380.27	Men or boys shirts of cotton not knit or ornamente	2,651	3,232	2,896	
7	800.00	United States goods returned	2,550	2,919	1,407	
8	376.24	Lace or net brassiers etc and other ornamented, of	2,602	2,597	3,867	
9	168.40	Rum including cana paraguay	1,640	1,644	2/	
10	380.39	Other men or boys wearing apparel of cotton, not kni	447	1,280	1,792	
11	376.28	Corsets, girdles, etc, not ornamented of any material	955	1,185	582	
12	125.80	Live plants suitable for planting nspf	760	882	2/	
13	452.80	Distilled or essential oils, nes	900	820	468	
14	382.04	Women's etc lace or net wearing apparel of man-mad	449	550	339	
15	706.05	Billfolds, letter cases and other flat goods, leat	483	534	518	
16	161.86	Pimento, unground	600	531	536	
17	439.10	Natural drugs, crude	225	453	657	
18	137.86	Vegetable, fresh, chilled, or frozen, nspf	318	438	2/	
19	182.46	Sauces except thin soy	279	435	748	
20	382.78	Other women, etc wearing apparel of man-fibers knit	153	430	315	
21	452.38	Lime oil	20	419	580	
22	618.10	Aluminum waste a scrap	410	364	305	
23	382.33	Other women, girls, etc wearing apparel, of cotton, n k	176	352	479	
24	156.35	Cocoa butter	35	346	277	
25	161.35	Ginger root, not ground, not candied or preserved	248	255	248	
26	380.04	Men's or boys' lace or net wearing apparel etc of	100	247	1,018	
27	382.81	Other women, etc wearing apparel of other textile m	65	217	611	
28	999.95	Under \$251 formal and informal entries estimated	172	205	96	
29	182.98	Edible preparations nspf	78	192	2/	
30	745.34	Buttons, nspf	271	137	197	
31	740.10	Jewelry etc of precious metal, stones, pearls etc, n	134	151	57	
32	155.75	Sugars, sirups, and molasses blended, flavored or	148	135	106	
33	417.16	Aluminum sulfate	84	121	114	
34	160.10	Coffee crude roasted or ground	119	108	167	
35	382.00	Women's, girls', infants' lace or net wearing appa	190	102	130	
36	724.25	Phonograph records nes	48	89	58	
37	727.35	Furniture, wood nspf	96	85	122	
38	727.15	Furniture and parts of bentwood	0	78	13	
39	380.12	Men or boys coats of cotton not knit or ornamented	0	77	59	
40	190.45	Fish or shellfish, live, for other than human cons	91	75	15	
		Total <sup>3/</sup>	379,536	367,699	331,409	
		Total U.S. imports from Jamaica	383,900	369,364	342,463	

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-28.--Leading items exported to Jamaica, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)					
1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	421.08	Sodium hydroxide	20,966	19,282	23,227
2	130.34	Corn or maize, not donated for relief or charity	16,412	17,600	16,608
3	175.41	Other soybeans	11,325	15,664	14,528
4	338.29	Woven fabric, man-made, of contin. man-made fibres	8,256	7,535	5,853
5	475.45	Lubricating oils from petrol and/or shale oil	5,679	7,501	7,468
6	433.10	Chemical mixtures and preparations, nspf	5,364	7,239	4,451
7	105.41	Chicken (dead, fresh, chilled or frozen, whole and	5,399	6,115	4,825
8	177.56	Tallow	5,222	5,758	1,923
9	131.40	Wheat, milled, fit for human consumption -	7,863	4,370	3,216
10	818.90	Gen'l merchandise valued at \$500 or less	5,997	4,278	3,339
11	609.16	Plates, sheets, strips of iron/steel, coated, plated	3,081	4,231	3,585
12	664.05	Mechanical shovel fr earth etc snow plows, etc and	2,725	4,212	2,859
13	119.51	Eggs in the shell, for hatching	3,826	4,210	3,323
14	252.78	Unbleached kraft wrapping and packaging paper and	4,793	3,693	2,412
15	678.20	Machines for working mineral substances or product	257	3,054	1,805
16	692.29	Automobile truck tractors, imported without their t	2,249	3,011	2,339
17	660.94	Submersible pumps a pumps and liquid elevators nes	2,030	2,830	3,916
18	660.87	Non-electric engines and motors, nspf, certified for	1,646	2,814	3,215
19	692.38	Parts of tractors, new or used (excl. item 692.40)	3,959	2,187	2,179
20	444.23	Polyvinyl chloride and copolymer resins (PVC)	1,732	2,176	1,958
21	176.52	Soybean oil	1,637	2,107	702
22	376.25	Body supporting garments of any materials	1,816	2,091	1,924
23	660.54	Parts of internal combustion engines, nes	688	2,056	1,814
24	170.33	Cigarette leaf filler tobacco	2,225	2,052	850
25	657.21	Articles wholly or in chief weight of wire	978	2,048	2,034
26	310.00	Yarns of manmade fibers other than glass, continuo	1,540	1,864	771
27	321.29	Woven cotton fab bleached, n fancy, fig, or col of	2,014	1,828	1,094
28	202.08	Pine: (except eastern white, ponderosa and other)	2,152	1,796	133
29	692.05	Automobile trucks except truck tractors	998	1,663	2,327
30	444.05	Other acrylic and methacrylic acid resins	1,378	1,536	2,220
31	184.80	Animal feeds containing milk or milk derivatives	1,457	1,521	550
32	256.53	Sanit. food and bev. containers, of paper, paperboa	1,320	1,487	539
33	666.25	Industrial machinery fr prepar a manufacturng food/	1,062	1,426	1,094
34	692.10	Motor vehicles, exc motorcycles for transport, nes	790	1,407	1,227
35	662.12	Machinery for clearing or drying containers, filli	1,105	1,360	401
36	545.29	Containers for packing, trans., mktg of merchandise	1,904	1,353	1,839
37	661.35	Refrigerator a refrigerating equipment and parts	1,170	1,352	665
38	692.16	Motor vehicles, designed for special services or f	113	1,296	132
39	660.52	Parts of piston-type engines except compression-ig	1,467	1,274	781
40	131.30	Rice, milled, bran removed, fit for human consumpt	1,747	1,204	1,950
		Total	146,343	160,481	136,075
		Total U.S. exports to Jamaica	286,713	289,919	248,938

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-29.--Leading items imported from Mexico, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980
1	475.10	Crude petroleum, etc testing 25 degrees a.p.i. or m	1,489,048	3,010,591	4,235,097
2	685.20	Television apparatus	386,973	567,888	2/
3	160.10	Coffee crude roasted or ground	289,751	410,502	290,154
4	114.45	Shellfish nes fresh chilled frozen prepared or pre	190,048	317,014	279,708
5	605.20	Gold or silver bullion, dore, and precipitates	85,985	248,208	248,922
6	692.27	Motor vehicle pts-other than cast iron, nes	141,263	163,966	2/
7	800.00	United States goods returned	103,236	150,743	209,045
8	687.60	Electronic tubes, photocells, transistors, etc and p	104,679	135,596	2/
9	653.22	Metal coins	51,640	123,707	174,078
10	685.90	Switchboards panels, etc for makg connectg o brkg	89,919	119,327	131,462
11	999.95	Under \$251 formal and informal entries estimated	124,368	116,927	73,523
12	100.45	Live cattle not less than 200 lbs but under 700 lb	126,061	91,952	70,516
13	137.60	Tomatoes, frsh or frzn, entry marl-jul14 or sept1-	87,186	88,602	82,437
14	624.03	Unwrought lead, nes	54,818	76,488	25,268
15	685.80	Electric capacitors, fixed or variable	61,679	73,824	71,748
16	415.45	Sulfur	56,896	69,648	79,692
17	660.44	Piston-type int combuston eng othr than compressio	68,029	60,611	2/
18	682.60	Generator, motor generator converters, etc, electrica	38,205	58,407	74,578
19	676.52	Office machine parts nes	44,971	58,372	66,674
20	137.63	Tomatoes, frsh, chill, froz, entry nov 15 to last	70,248	57,579	46,002
21	688.12	Ignition wiring sets a wirng sets for transportati	22,783	50,126	66,825
22	256.85	Articles, nspf, of papers, coated, lined, parchmnt	27,622	45,383	2/
23	688.15	Insulated electrical conductors with fittings nes	32,583	44,536	60,955
24	416.20	Hydrofluoric acid	30,520	43,836	51,225
25	686.10	Resistors inc potentiometers and parts	37,806	41,917	39,510
26	682.40	Motors, electrical, over 1/10 but under 200 horsepow	27,135	41,444	2/
27	678.50	Machines, not specially provided for, and parts	20,755	36,482	33,222
28	137.10	Peppers, frsh, chilled, or frozen	32,530	35,837	51,884
29	202.62	Wood moldings, standard, pine, not drilled or trea	39,458	35,474	21,168
30	688.40	Electrical articles and elect part of articles nsp	25,405	32,651	11,257
31	146.75	Berries, prepared or preserved, nspf	19,372	31,923	2/
32	685.29	Hand-held citizens band(cb) radio transceivers	24,064	31,489	29,469
33	690.15	Railway cars, passenger baggage, etc not self-prop	39,202	31,325	0
34	155.40	Sugar, sirup, molasses, etc derived from sugar can	22,647	30,893	16,732
35	685.40	Tape recorders and dictation and transcribing mach	25,190	30,375	30,867
36	382.81	Other women, etc wearing apparel of other textile m	29,968	30,007	24,938
37	135.90	Cucumbers, frsh, chld, frz, entrd decl to last day	30,709	29,101	24,622
38	475.05	Crude petroleum, etc testing under 25 degrees a.p.i	51	28,052	1,270,511
39	626.02	Unwrought zinc except alloyed	28,865	27,384	17,031
40	610.32	Pipes, tubes, etc weld, etc, nt alloy iron or steel, 0	25,904	26,700	16,105
		Total <u>3/</u>	4,207,568	6,704,888	7,925,223
		Total U.S. imports from Mexico	6,060,908	8,784,894	11,425,752

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.



Table A-30.--Leading items exported to Mexico, by Schedule B items,  
1978, 1979, and January-October 1980

(In thousands of dollars)

1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	692.29	Automobile truck tractors, imported without their t	459,137	671,752	774,476
2	664.05	Mechanical shovel fr earth etc snow plows, etc and	260,089	350,135	291,763
3	660.54	Parts of internal combustion engines, nes	81,007	262,746	233,082
4	685.20	Television apparatus	157,337	218,970	148,995
5	605.20	Gold or silver bullion, dore, and precipitates	65,003	216,976	191,582
6	694.40	Airplanes	69,754	198,295	231,933
7	130.65	Wheat (whether or not donated for relief)	88,743	197,083	92,320
8	818.90	Gen'l merchandise valued at \$500 or less	215,412	177,805	191,086
9	687.60	Electronic tubes, photocells, transistors, etc and p	146,463	175,548	192,253
10	685.90	Switchboards panels, etc for makg connectg o brkg	100,541	165,090	193,960
11	130.40	Grain sorghum	76,611	159,765	279,402
12	175.41	Other soybeans	178,796	118,277	208,698
13	130.34	Corn or maize, not donated for relief or charity	161,005	116,094	555,868
14	676.55	Office machine parts excl: aing typewriter parts	62,145	98,023	108,496
15	120.14	Cattle hides, whole, raw or cured, ov 12 lbs dry o	46,323	93,538	44,516
16	401.01	Coal tar crudes and specif cyclic organic chemical	28,049	90,454	85,794
17	678.50	Machines, not specially provided for, and parts	52,021	89,031	91,506
18	666.00	Agricultural machinery etc, nspf and parts -	45,226	87,181	123,849
19	688.40	Electrical articles and elect part of articles nsp	65,964	83,833	63,357
20	607.08	Carbon steel and iron waste and scrap	34,470	83,709	113,743
21	404.05	Hydrocarbons, except derivatives	22,274	79,538	64,418
22	660.94	Submersible pumps a pumps and liquid elevators nes	42,052	78,592	75,969
23	692.33	Parts nspf of motor vehicles, not alloyed nor advan	35,050	77,319	77,457
24	692.16	Motor vehicles, designed for special services or f	41,109	76,729	89,636
25	433.10	Chemical mixtures and preparations, nspf	46,246	76,419	90,889
26	692.38	Parts of tractors, new or used (excl. item 692.40)	64,710	74,740	100,705
27	444.16	Polyethylene resins (thermoplastic resins)	46,382	70,099	122,341
28	682.60	Generator, motor generator converters, etc, electrica	61,076	70,006	87,582
29	250.02	Wood, rag, other pulps+ suitable for paper making	42,318	66,512	94,648
30	661.12	Compressors and parts	59,877	65,513	79,355
31	610.39	Pipe n alloy steel api, not threaded or otherwise	49,284	65,235	51,524
32	690.05	Rail locomotives and tenders	7,572	60,997	58,278
33	652.91	Structures of iron and steel	6,770	58,440	96,911
34	660.52	Parts of piston-type engines except compression-ig	35,306	57,383	56,362
35	660.41	Internal combustion engines and parts thereof, nspf	28,007	56,727	39,375
36	676.28	Automatic data processing machines	25,645	55,213	61,710
37	444.17	Polypropylene resins (excl. amorphorus, atactic)	27,909	51,360	48,988
38	610.30	Pipes, tubes, etc weld, etc, nt alloy iron or steel, u	28,438	51,016	26,109
39	711.80	Pressure guages, thermostats, level guages, other	33,097	50,420	44,770
40	674.35	Metal-working machine tool, nes	24,216	45,096	72,211
		Total	3,124,434	4,941,658	5,655,916
		Total U.S. exports to Mexico	6,540,425	9,662,505	11,949,757

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-31.—Leading items imported from the Netherlands Antilles, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)						
1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980	
1	475.05	Crude petroleum,etc testing under 25 degrees a.p.i	889,693	996,683	1,296,762	
2	475.25	Motor fuel	72,378	299,034	501,847	
3	475.10	Crude petroleum,etc testing 25 degrees a.p.i. or m	88,692	274,514	242,811	
4	475.35	Naphthas derived from natural gas,petroleum,etc or	125,701	138,992	171,917	
5	521.11	Asphaltum, bitumen and limestone rock asphalt	49,044	68,989	60,442	
6	110.10	Sea herring smelts and tuna fresh chilled or froze	7,824	10,005	14,331	
7	800.00	United States goods returned	4,507	6,465	10,623	
8	475.45	Lubricating oils from petrol and/or shale oil	114	2,527	53	
9	160.10	Coffee crude roasted or ground	4,003	1,931	233	
10	425.84	Naphthenic acids	1,326	1,778	1,764	
11	420.94	Sodium chloride or salt in bulk	2,076	1,597	1,844	
12	480.45	Phosphates, crude, and apatite	2,895	1,359	507	
13	688.15	Insulated electrical conductors with fittings nes	928	896	1,258	
14	401.10	Benzene	1,175	878	0	
15	401.72	Toluene	852	477	0	
16	793.00	Waste and scrap nspf	279	473	8	
17	176.60	Tung oil	0	348	0	
18	578.50	Machines, not specially provided for, and parts	0	311	395	
19	724.40	Magnetic tape and sound recordings nspf	952	301	65	
20	612.10	Copper waste and scrap, nes	276	299	219	
21	999.95	Under \$251 formal and informal entries estimated	306	297	83	
22	688.04	Insulated elect conductors, w/o fittings, over 10%	284	273	422	
23	114.45	Shellfish nes fresh chilled frozen prepared or pre	46	269	37	
24	682.05	Transformers of less than 1 kva	156	238	182	
25	685.40	Tape recorders and dictation and transcribing mach	20	211	437	
26	774.60	Articles of rubber or plastics nspf	0	157	2/	
27	603.65	Materials nes residue n advanc not over 2% copper,	61	152	520	
28	446.15	Synthetic rubber	0	99	0	
29	270.25	Books, nspf	15	88	0	
30	113.56	Tuna prep 0 presvd, nspf, nt in oil, in bulk or imm	0	68	0	
31	520.38	Emeralds, cut but not set, suitable for jewelry	132	66	22	
32	642.20	Wire strnd, rpe, etc fitted or made into articles	148	65	0	
33	607.12	Iron or steel waste and scrap containing dutiable	0	58	0	
34	274.40	Stamps, postage and revenue, and govt stamped envlp	3	47	58	
35	740.10	Jewelry etc of precious metal, stones, pearls etc, n	1	37	21	
36	692.30	Tractors suitable for agricultural use, and parts	0	35	0	
37	403.60	Cyclic or benzenoid organic chemical products nspf	0	31	0	
38	870.10	Records, diagrams and other data on expl opn etc o	0	29	0	
39	680.54	Flange, take up, cartridge, and hangar units, and pts	0	28	0	
40	999.10	Equipment and repairs of vessels and aircraft	18	28	513	
		Total 3/	1,253,909	1,810,134	2,307,374	
		Total U.S. imports from the Netherlands Antilles:	1,263,156	1,810,413	2,314,164	

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-32.--Leading items exported to the Netherlands Antilles, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)					
1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	170.65	Cigarettes	46,455	51,151	46,650
2	818.90	Gen'l merchandise valued at \$500 or less	20,108	15,486	13,063
3	692.10	Motor vehicles, exc motorcycles for transport, nes	15,165	15,432	6,087
4	433.10	Chemical mixtures and preparations, nspf	7,315	14,957	8,587
5	381.15	Men's and boys trousers, not knit, cotton	5,180	7,274	6,794
6	105.41	Chicken (dead, fresh, chilled or frozen, whole and	5,443	6,763	4,828
7	401.01	Coal tar crudes and specif cyclic organic chemical	7,107	6,100	5
8	363.04	Cotton sheets and pillowcases	3,942	5,603	1,895
9	694.40	Airplanes	745	5,476	6,509
10	383.52	Women's, girls', infants dresses, manmade, not knit	5,529	5,097	4,038
11	664.05	Mechanical shovel fr earth etc snow plows, etc and	3,664	4,851	8,917
12	678.50	Machines, not specially provided for, and parts	473	4,323	7,087
13	685.20	Television apparatus	2,105	3,899	2,821
14	692.29	Automobile truck tractors, imported without their t	5,056	3,871	3,031
15	202.08	Pine: (except eastern white, ponderosa and other)	976	3,589	3,363
16	661.35	Refrigerator a refrigerating equipment and parts	4,189	3,335	3,307
17	106.40	Pork meat, fresh, chilled or frozen	1,591	3,148	2,348
18	182.97	Vegetable protein products derived from oil seeds	2,890	3,104	2,931
19	461.25	Perfumes, colognes, and toilet waters	2,109	2,769	2,615
20	461.46	Dentifrices, mouthwashes, and similar preparations	2,013	2,767	2,158
21	131.30	Rice, milled, bran removed, fit for human consumpt	2,250	2,742	2,805
22	107.38	Beef and veal, prepared or preserved (ex. sausage)	2,226	2,735	1,811
23	692.05	Automobile trucks except truck tractors	4,564	2,515	2,210
24	106.10	Beef and veal, fresh chilled or frozen	1,776	2,511	2,124
25	184.80	Animal feeds containing milk or milk derivatives	2,172	2,485	1,630
26	661.22	Air-conditioning machines and parts w/ motor drive	2,011	2,340	1,766
27	660.54	Parts of internal combustion engines, nes	1,975	2,190	1,922
28	461.80	Other perfumery, cosmetics and toilet preparations	1,391	2,088	2,285
29	652.91	Structures of iron and steel	2,605	2,073	1,626
30	727.13	Wood furniture designed for household use	1,057	2,004	1,891
31	772.51	Pneumatic tires, nes	1,404	1,980	2,221
32	684.35	Other portable appliances, appliances, parts thereof	427	1,899	1,168
33	256.71	Other paper and paperboard, cut to size or shape	1,826	1,880	2,097
34	652.92	Door and window frames, iron or steel, except stai	1,006	1,874	1,639
35	155.20	Sugar, sirup, molasses principal crystalline or dr	1,278	1,860	2,486
36	475.45	Lubricating oils from petrol and/or shale oil	1,441	1,847	2,064
37	696.07	Ships, boats and other vessels (military and non.)	1,115	1,829	2,036
38	130.65	Wheat (whether or not donated for relief)	2,315	1,822	3,398
39	338.29	Woven fabric, man-made, of contin. man-made fibres	1,584	1,782	1,547
40	692.38	Parts of tractors, new or used (excl. item 692.40)	1,849	1,748	1,518
		Total	179,328	211,195	177,281
		Total U.S. exports to the Netherlands Antilles	370,391	404,299	360,336

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-33.—Leading items imported from Nicaragua, by TSUS items  
1978, 1979, and January–November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <sup>1/</sup>	1978	1979	Jan.–Nov. 1980
1	106.10	Beef and veal, fresh chilled or frozen	63,937	92,024	58,879
2	160.10	Coffee crude roasted or ground	33,234	37,522	30,335
3	114.45	Shellfish nes fresh chilled frozen prepared or pre	28,298	29,848	28,495
4	146.40	Bananas, fresh	19,081	21,361	17,796
5	155.20	Sugar, sirup, molasses principal crystalline or dr	18,111	19,031	27,954
6	605.20	Gold or silver bullion, dore, and precipitates	6,750	6,296	4,835
7	380.39	Other men or boys wearing apparel of cottn, not kni	7,702	4,038	5,241
8	155.40	Sugar, sirup, molasses, etc. derived from sugar can	1,816	2,279	3,944
9	170.10	Wrapper tobacco not stemmed	2,390	2,196	1,956
10	380.24	Mens or boys cotton pajamas, nt knit or ornamented	1,119	1,973	3,111
11	175.45	Sesame seed	2,926	1,604	1,767
12	800.00	United States goods returned	1,781	1,539	757
13	170.66	Cigars each valued 15¢ or more	2,602	1,338	1,004
14	706.60	Luggage, handbags, and flat good of other materials,	95	958	602
15	184.52	Soy bean and other vegetable oil cake and oil-cake	0	928	2/
16	160.20	Coffee, soluble or instant, not cntng sugar or oth	409	820	3,164
17	382.33	Other women, girls, etc wearing apparel, of cottn, n k	2,003	819	81
18	170.40	Filler tobacco leaf, including cigar, not stemmed, ns	920	771	684
19	110.10	Sea herring smelts and tuna fresh chilled or froze	1,598	716	7
20	734.56	Baseball equipment and parts, nes	1,096	566	134
21	382.24	Womens, girls, infants cotton pajamas nt knit or orn	0	451	370
22	378.25	Other underwear not ornamented of cotton, nt knit,	0	390	568
23	240.10	Plywood, spanish cedar face, no face finsh, o cl fc	611	364	0
24	376.24	Lace or net brassiers etc and other ornamented, of	23	347	919
25	376.28	Corsets, girdles, etc, not ornamented of any material	30	315	881
26	338.30	Man-made woven fabrics, nes	91	276	0
27	380.84	Othr men or boys wearng apparl of man-made fibr, n	908	261	825
28	382.00	Women's, girls', infants' lace or net wearing appa	68	253	220
29	706.08	Luggage and handbags of leather, nes -	9	242	2/
30	202.09	Pine lumber, nes	686	226	45
31	380.81	Othr men or boys wearng apparl of man-made fibr, kn	528	212	0
32	110.70	Other fish nes, fresh, chilled or frozen, otherwis	397	211	68
33	161.35	Ginger root, not ground, not candied or preserved	304	197	117
34	188.50	Turpentine, spirits and gum of, and rosin -	1,030	189	1,326
35	110.35	Fish nes, frsh chld or frzn, whole or beheaded etc	1,209	175	344
36	121.59	Leather, rough, not fancy, nes	29	171	2/
37	135.80	Cowpeas, blackeye, fresh, chilled, or frozen	121	167	65
38	188.38	Gums, gum resins and resins, nspf	202	141	0
39	435.05	Aloes, jalap, mate, aconite, cocculus indicus, etc	174	141	76
40	138.05	Broccoli, cauliflower a okra, frsh, ch o froz a cut, s	451	139	43
		Total <sup>3/</sup>	202,740	231,497	196,612
		Total U.S. imports from Nicaragua	209,606	233,644	202,277

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-34.--Leading items exported to Nicaragua, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)					
1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	130.65	Wheat (whether or not donated for relief)	8,029	5,846	7,863
2	431.04	Halogenated hydrocarbons, chlorinated but not	5,245	5,513	6,866
3	475.45	Lubricating oils from petrol and/or shale oil	2,527	3,378	6,086
4	177.56	Tallow	2,065	3,175	5,618
5	444.16	Polyethylene resins (thermoplastic resins)	3,300	2,672	1,739
6	381.15	Men's and boys trousers, not knit, cotton	2,881	2,353	3,963
7	433.10	Chemical mixtures and preparations, nspf	1,380	2,009	2,821
8	486.19	Other herbicides, incl. plant growth regulators	543	1,840	594
9	818.90	Gen'l merchandise valued at \$500 or less	4,222	1,808	3,318
10	480.80	Those grades of substances used for fertilizers, et	2,224	1,531	7,364
11	338.29	Woven fabric, man-made, of contin. man-made fibres	840	1,500	825
12	682.07	Transformers rated 1 kva or more	1,429	1,482	226
13	176.52	Soybean oil	50	1,365	80
14	692.16	Motor vehicles, designed for special services or f	13	1,323	46
15	818.33	Medicinal, pharm. prod. donated by private age	200	1,243	1,186
16	381.01	Cotton knit men's and boys pajamas, nightwear	1,992	1,213	1,116
17	182.97	Vegetable protein products derived from oil seeds	488	1,124	385
18	252.78	Unbleached kraft wrapping and packaging paper and	1,742	1,034	331
19	694.40	Airplanes	221	1,010	721
20	660.54	Parts of internal combustion engines, nes	1,574	939	1,889
21	184.52	Soy bean and other vegetable oil cake and oil-cake	1,031	926	0
22	115.50	Dried milk and cream, except buttermilk, nov 3 pct	15	915	78
23	666.00	Agricultural machinery etc, nspf and parts -	2,373	907	3,453
24	309.42	Fibers, in noncontinuous form, not carded or other	1,302	886	1,209
25	466.26	Methyl parathion	2,507	883	934
26	706.07	Leather handbags valued not over \$20 each, not of r	182	867	441
27	444.17	Polypropylene resins (excl. amorphous, atactic)	566	866	1,100
28	685.90	Switchboards panels, etc for makg connectg o brkg	821	834	821
29	130.34	Corn or maize, not donated for relief or charity	3,024	780	6,515
30	131.30	Rice, milled, bran removed, fit for human consumpt	0	763	4,516
31	694.65	Kites not of civil aircraft and spacecraft, and par	3,631	763	681
32	664.05	Mechanical shovel fr earthl. etc snow plows, etc and	2,897	697	1,307
33	130.40	Grain sorghum	1,941	687	463
34	486.95	Other pesticide preparations	991	665	870
35	660.94	Submersible pumps a pumps and liquid elevators nes	1,456	649	938
36	692.05	Automobile trucks except truck tractors	2,424	632	1,235
37	155.37	Other sugars, sirups, molasses from sugar cane, beet	446	597	787
38	692.29	Automobile truck tractors, imported without their t	1,881	594	1,401
39	140.12	Red kidney beans	0	586	7,238
40	692.38	Parts of tractors, new or used (excl. item 692.40)	2,184	570	6,257
		Total	70,639	57,444	93,279
		Total U.S. exports to Nicaragua	182,065	99,502	203,173

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-35.--Leading items imported from Panama, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <u>1/</u>	1978	1979	Jan.-Nov. 1980
1	114.45	Shellfish nes fresh chilled frozen prepared or pre	28,331	50,637	45,641
2	146.40	Bananas, fresh	26,988	36,744	15,218
3	155.20	Sugar, sirup, molasses principal crystalline or dr	22,139	31,963	74,419
4	110.10	Sea herring smelts and tuna fresh chilled or froze	12,606	23,410	17,262
5	800.00	United States goods returned	11,202	12,209	12,385
6	160.10	Coffee crude roasted or ground	10,819	6,840	9,676
7	184.55	Tankage, dead fish, etc, nes, not fit for human co	1,420	4,599	5,000
8	475.25	Motor fuel	8,360	3,465	8,659
9	156.10	Cocoa beans	3,156	3,235	1,412
10	152.72	Banana and plantain, paste and pulp	948	1,625	337
11	620.03	Unwrought nickel	0	1,455	0
12	475.10	Crude petroleum,etc testing 25 degrees a.p.i. or m	0	1,392	6,017
13	437.56	Adrenocortical hormones, synthetic	4,097	1,263	243
14	155.40	Sugar, sirup, molasses, etc.derived from sugar can	4,233	1,261	87
15	511.14	Hydraulic cement nes and cement clinker -	0	1,087	0
16	106.10	Beef and veal, fresh chilled or frozen	479	1,041	2,455
17	170.60	Scrap tobacco	1,536	966	0
18	437.57	Hormones, synthetic nspf	821	663	755
19	182.90	Edible preparations of gelatin, nspf	471	607	512
20	612.10	Copper waste and scrap,nes	288	598	742
21	100.95	Live animals,except birds, nes	308	362	40
22	380.04	Men's or boys' lace or net wearing apparel etc of	343	324	368
23	999.95	Under \$251 formal and informal entries estimated	198	289	107
24	624.03	Unwrought lead, nes	0	249	8
25	605.70	Precious metal sweepings and other precious metal	120	188	34,246
26	605.20	Gold or silver bullion, dore, and precipitates	170	167	53,687
27	618.10	Aluminum waste a scrap	125	164	137
28	240.03	Other veneers nes, not reinforced or backed	198	163	160
29	182.98	Edible preparations nspf	117	141	2/
30	766.25	Antiques,nes	0	140	20
31	110.35	Fish nes, frsh chld or frzn, whole or beheaded etc	182	129	273
32	534.11	Ceramic statues, statuettes etc nes ov \$2.50 ea, b	0	128	23
33	121.59	Leather,rough,not fancy,nes	0	117	2/
34	520.33	Diamonds ov 1/2 car, cut, not set, suitable for jew	0	100	532
35	653.22	Metal coins	525	98	123
36	100.31	Birds, live, nspf, valued over 5 dollars each	59	82	3
37	870.27	Specimens of archeology, etc imported for exhibiti	0	73	0
38	380.84	Othr men or boys wearng apparel of man-made fibr,n	62	64	112
39	100.75	Horses live, not for slaughter, valued over \$150 p	293	62	180
40	148.25	Melons fresh, ex cantaloupe 0 watermelon, enter de	108	60	2/
		Total <u>3/</u>	140,700	188,161	290,839
		Total U.S. imports from Panama	155,778	189,683	300,283

1/ Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

2/ Item reclassified effective Jan. 1, 1980.

3/ Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-36.--Leading items exported to Panama, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)					
1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	170.65	Cigarettes	14,505	22,572	21,852
2	692.10	Motor vehicles,exc motorcycles for transport,nes	8,942	15,195	6,323
3	685.20	Television apparatus	13,031	10,885	29,594
4	176.52	Soybean oil	6,537	10,865	11,105
5	724.45	Magnetic recording media, no material recorded the	1,320	9,521	10,022
6	252.78	Unbleached kraft wrapping and packaging paper and	10,208	9,393	15,247
7	723.15	Film other than motion-picture film, sensitized	6,733	9,373	12,334
8	130.65	Wheat (whether or not donated for relief)	8,273	9,289	10,633
9	818.90	Gen'l merchandise valued at \$500 or less	7,863	9,078	10,162
10	338.29	Woven fabric, man-made, of contin. man-made fibres	5,680	8,812	6,410
11	435.23	Other antibiotics, including those used in feed	4,034	7,107	7,944
12	444.16	Polyethylene resins (thermoplastic resins)	3,512	6,813	9,096
13	692.29	Automobile truck tractors,imported without their t	5,021	5,784	5,350
14	692.05	Automobile trucks except truck tractors	5,195	5,650	2,329
15	661.35	Refrigerator a refrigerating equipment and parts	4,545	5,339	4,478
16	640.32	Metal containers (empty) chiefly for packing,mktg,	2,009	4,570	5,809
17	684.62	Telephonic apparatus and instruments and parts	5,697	3,993	3,359
18	363.04	Cotton sheets and pillowcases	2,585	3,781	1,719
19	130.34	Corn or maize, not donated for relief or charity	369	3,756	5,057
20	664.05	Mechanical shovel fr earth etc snow plows,etc and	10,811	3,709	1,524
21	692.04	Motor buses	1,756	3,702	2,880
22	692.38	Parts of tractors, new or used (excl. item 692.40)	3,308	3,666	2,948
23	661.22	Air-conditioning machines and parts w/ motor drive	3,485	3,443	4,414
24	433.10	Chemical mixtures and preparations, nspf	2,577	3,392	3,393
25	461.25	Perfumes, colognes, and toilet waters	1,674	3,390	3,634
26	660.52	Parts of piston-type engines except compression-ig	2,498	3,328	2,123
27	475.45	Lubricating oils from petrol and/or shale oil	3,100	3,274	5,425
28	737.90	Toys, and parts of toys, nspf	2,876	3,204	2,957
29	772.51	Pneumatic tires,nes	2,842	3,116	3,034
30	676.28	Automatic data processing machines	2,031	3,066	2,290
31	184.52	Soy bean and other vegetable oil cake and oil-cake	1,282	2,925	3,377
32	685.90	Switchboards panels, etc for makg connectg o brkg	2,074	2,900	1,745
33	660.54	Parts of internal combustion engines, nes	2,340	2,874	3,685
34	722.19	Photographic cameras, enlargers, combinations	2,478	2,721	3,320
35	321.29	Woven cotton fab bleached, n fancy, fig, or col of	2,309	2,718	2,156
36	359.00	Textile fabrics, nspf	2,221	2,700	2,312
37	547.60	Pharmaceutical, hygenic and laboratory glassware	698	2,685	1,015
38	666.00	Agricultural machinery etc,nspf and parts -	2,394	2,639	1,807
39	609.16	Plates,sheets,strips of iron/steel,coated,plated	2,258	2,623	3,627
40	685.27	Citizens band(cb) radio transceivers(except hand-h	2,552	2,604	2,542
		Total	173,623	226,457	239,031
		Total U.S. exports to Panama	425,410	518,621	570,844

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.

Table A-37.--Leading items imported from Trinidad and Tobago, by TSUS items  
1978, 1979, and January-November 1980

(In thousands of dollars)

1979 rank	TSUS No.	Description <sup>1/</sup>	1978	1979	Jan.-Nov. 1980
1	475.10	Crude petroleum, etc testing 25 degrees a.p.i. or m	849,006	979,096	1,451,444
2	475.05	Crude petroleum, etc testing under 25 degrees a.p.i	259,146	258,732	341,207
3	475.25	Motor fuel	164,503	168,072	245,807
4	475.35	Naphthas derived from natural gas, petroleum, etc or	67,142	70,963	51,229
5	480.65	Nitrogenous fertilizers and fertilizer materials	24,261	33,317	38,280
6	475.65	Mixtures of hydrocarbons nspf from petroleum etc i	3,832	6,348	4,158
7	155.20	Sugar, sirup, molasses principal crystalline or dr	11,536	5,572	0
8	800.00	United States goods returned	9,155	5,251	7,319
9	480.30	Urea, nes	5,161	4,706	4,502
10	155.40	Sugar, sirup, molasses, etc. derived from sugar can	2,794	4,352	1,630
11	156.10	Cocoa beans	5,144	4,198	1,968
12	401.10	Benzene	1,153	2,439	3,777
13	114.45	Shellfish nes fresh chilled frozen prepared or pre	1,340	1,074	1,149
14	709.54	Artificial teeth a dentures wholly or almost wholl	747	1,052	1,003
15	110.47	Fish, skinned and boned, in frozen blocks over 10	0	943	0
16	376.28	Corsets, girdles, etc, not ornamented of any material	917	854	611
17	475.45	Lubricating oils from petrol and/or shale oil	3,922	808	29,335
18	430.00	Mixtures of 2 or more of organic compounds nspf	198	582	2/
19	168.15	Bitters, containing spirits, unfit for beverage us	580	475	2/
20	160.10	Coffee crude roasted or ground	2,653	446	264
21	429.52	Hydrocarbons nspf	591	432	2/
22	417.12	Aluminum hydroxide and oxide or alumina	0	412	3,812
23	401.74	Xylene	200	360	1,866
24	382.78	Other women, etc wearing apparel of man-fibers knit	25	359	62
25	452.38	Lime oil	442	291	586
26	382.81	Other women, etc wearing apparel of other textile m	9	194	38
27	425.84	Naphthenic acids	0	191	263
28	676.52	Office machine parts nes	2,471	188	35
29	182.98	Edible preparations nspf	66	183	2/
30	376.24	Lace or net brassiers etc and other ornamented, of	158	172	245
31	190.45	Fish or shellfish, live, for other than human cons	64	114	75
32	683.32	Electro-mech appliances w elec motor a pts, nes hh,	270	111	247
33	999.95	Under \$251 formal and informal entries estimated	75	89	20
34	740.10	Jewelry etc of precious metal, stones, pearls etc, a	106	77	20
35	182.46	Sauces except thin soy	82	57	123
36	193.10	Tonka beans	70	57	59
37	100.31	Birds, live, nspf, valued over 5 dollars each	142	54	109
38	475.30	Kerosene derived from shale oil, petroleum, or bot	0	50	0
39	653.39	Illuminating articles of base metal, nes --	0	50	2/
40	740.05	Jewelry etc. and parts, of silver, not over \$18 pe	39	49	0
		Total <sup>3/</sup>	1,418,003	1,552,772	2,191,241
		Total U.S. imports from Trinidad and Tobago	1,420,548	1,553,432	2,197,665

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the TSUSA.

<sup>2/</sup> Item reclassified effective Jan. 1, 1980.

<sup>3/</sup> Totals are not comparable due to reclassification of items.

Source: Compiled from official statistics of the U.S. Department of Commerce.



Table A-38.--Leading items exported to Trinidad and Tobago, by Schedule B items, 1978, 1979, and January-October 1980

(In thousands of dollars)

1979 rank	Sched B No.	Description <sup>1/</sup>	1978	1979	Jan.-Oct. 1980
1	664.05	Mechanical shovel fr earth etc snow plows,etc and	35,483	28,730	30,879
2	660.54	Parts of internal combustion engines, nes	1,652	23,095	3,290
3	694.40	Airplanes	9,916	11,977	73,233
4	652.91	Structures of iron and steel	4,806	11,807	10,267
5	184.80	Animal feeds containing milk or milk derivatives	8,352	11,127	9,824
6	692.16	Motor vehicles, designed for special services or f	3,458	10,769	8,408
7	130.34	Corn or maize, not donated for relief or charity	8,438	10,149	9,207
8	130.65	Wheat (whether or not donated for relief)	6,476	8,513	18,708
9	664.10	Elevator,hoist,winches,etc and conveyors and parts	2,308	8,478	3,383
10	338.29	Woven fabric, man-made, of contin. man-made fibres	5,883	7,560	6,164
11	660.49	Piston-type engines other than compression-ignitio	326	7,232	823
12	660.94	Submersible pumps a pumps and liquid elevators nes	5,312	7,162	8,481
13	184.52	Soy bean and other vegetable oil cake and oil-cake	5,997	7,143	6,632
14	661.12	Compressors and parts	3,173	6,673	8,716
15	661.35	Refrigerator a refrigerating equipment and parts	5,224	6,664	4,782
16	433.10	Chemical mixtures and preparations, nspf	5,314	5,989	9,300
17	318.90	Gen'l merchandise valued at \$500 or less	5,741	5,653	6,511
18	661.98	Industrial gas cleaning equipment	3,133	5,589	7,015
19	176.52	Soybean oil	3,054	4,743	4,163
20	105.41	Chicken (dead, fresh, chilled or frozen,whole and	856	4,328	573
21	119.51	Eggs in the shell, for hatching	3,547	4,117	3,406
22	252.78	Unbleached kraft wrapping and packaging paper and	1,910	4,110	4,459
23	661.70	Heat exchangers	278	4,072	7,176
24	202.08	Pine: (except eastern white, ponderosa and other)	1,167	4,026	6,133
25	610.39	Pipe n alloy steel api, not threaded or otherwise	4,282	4,018	3,180
26	609.81	Angles, shapes and sections of iron or steel, 3 in.	95	3,692	1,327
27	610.30	Pipes,tubes,etc weld,etc,nt alloy iron or steel, u	319	3,262	828
28	444.23	Polyvinyl chloride and copolymer resins (PVC)	1,233	2,815	3,047
29	678.20	Machines for working mineral substances or product	2,029	2,728	3,649
30	694.65	Kites not of civil aircraft and spacecraft, and par	3,317	2,572	5,472
31	685.90	Switchboards panels, etc for makg connectg o brkg	2,017	2,471	2,748
32	674.54	Work holders and other parts of, machine tools	533	2,397	1,442
33	692.29	Automobile truck tractors, imported without their t	1,698	2,342	2,183
34	666.00	Agricultural machinery etc, nspf and parts -	1,527	2,203	3,048
35	692.38	Parts of tractors, new or used (excl. item 692.40)	1,756	2,200	2,575
36	684.62	Telephonic apparatus and instruments and parts	7,234	2,126	4,440
37	685.27	Citizens band(cb) radio transceivers(except hand-h	2,638	2,121	2,348
38	444.16	Polyethylene resins (thermoplastic resins)	859	2,116	3,119
39	145.47	Peanuts	2,016	2,107	1,132
40	661.23	Airconditioning condensing units	1,916	2,090	2,299
		Total	165,194	250,973	294,371
		Total U.S. exports to Trinidad and Tobago	326,272	455,527	559,985

<sup>1/</sup> Product descriptions shown are truncated from longer descriptions and are for illustrative purposes only. Full descriptions may be found in the U.S. Bureau of the Census, Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States, January 1, 1978.

Source: Compiled from official statistics of the U.S. Department of Commerce.



APPENDIX B

TRADE PATTERNS OF THE U.S., CANADA AND MEXICO  
BY S.I.T.C. COMMODITY SECTIONS

Table B-1.--SITC 0(Food & live animals): Trade of the United States  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	4,064	4,356	15,484	14,103	22,163
North America-----	605	827	2,009	2,206	2,661
Canada-----	411	547	1,042	1,211	1,273
Mexico-----	47	99	506	474	754
Central America <u>2/</u> -----	48	56	158	177	204
Caribbean <u>3/</u> -----	99	124	303	343	431
European Economic Community--	1,126	1,175	3,466	3,479	3,838
Japan-----	460	663	1,982	2,236	3,600
South America-----	282	244	953	669	1,372
Other-----	1,591	1,447	7,075	5,515	10,691
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	14.9	19.0	13.0	15.6	12.0
Canada-----	10.1	12.6	6.7	8.6	5.7
Mexico-----	1.2	2.3	3.3	3.4	3.4
Central America <u>2/</u> -----	1.2	1.3	1.0	1.3	.9
Caribbean <u>3/</u> -----	2.4	2.8	2.0	2.4	1.9
European Economic Community--	27.7	27.0	22.4	24.7	17.3
Japan-----	11.3	15.2	12.8	15.9	16.2
South America-----	6.9	5.6	6.2	4.7	6.2
Other-----	39.2	33.2	45.7	39.1	48.2
Imports (million dollars) <u>4/</u>					
World-----	4,003	5,375	8,490	12,434	16,289
North America-----	1,163	1,690	2,717	4,062	5,258
Canada-----	302	463	674	933	1,339
Mexico-----	363	574	606	1,183	1,490
Central America <u>2/</u> -----	335	439	787	1,386	1,879
Caribbean <u>3/</u> -----	163	215	651	560	550
European Economic Community--	349	466	662	813	891
Japan-----	109	163	172	244	247
South America-----	972	1,129	1,766	2,806	4,016
Other-----	1,411	1,950	3,241	4,666	5,877

See footnotes at end of table.

Table B-1.--SITC 0(Food & live animals): Trade of the United States with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	29.0	31.4	32.0	32.7	32.3
Canada-----	7.5	8.6	7.9	7.5	8.2
Mexico-----	9.1	10.7	7.1	9.5	9.1
Central America <u>2/</u> -----	8.4	8.2	9.3	11.1	11.5
Caribbean <u>3/</u> -----	4.1	4.0	7.7	4.5	3.4
European Economic Community--	8.7	8.7	7.8	6.5	5.5
Japan-----	2.7	3.0	2.0	2.0	1.5
South America-----	24.3	21.0	20.8	22.6	24.7
Other-----	35.2	36.3	38.2	37.5	36.1
Trade balance (million dollars) <u>5/</u>					
World-----	124	-924	7,187	2,244	6,335
North America-----	-520	-793	-568	-1,506	-2,255
Canada-----	145	152	505	622	269
Mexico-----	-315	-473	-98	-706	-733
Central America <u>2/</u> -----	-287	-382	-628	-1,208	-1,674
Caribbean <u>3/</u> -----	-63	-90	-346	-214	-117
European Economic Community--	781	713	2,825	2,757	2,989
Japan-----	366	516	1,824	2,015	3,373
South America-----	-689	-884	-811	-2,082	-2,637
Other-----	187	-498	3,849	904	4,865

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-2.--SITC 1(Beverages and tobacco): Trade of the United States  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	649	702	1,308	1,847	2,337
North America-----	35	43	91	116	171
Canada-----	10	9	14	18	29
Mexico-----	2	3	7	9	4
Central America <u>2/</u> -----	6	9	10	17	28
Caribbean <u>3/</u> -----	17	22	60	71	110
European Economic Community--	345	303	485	547	700
Japan-----	28	66	162	296	279
South America-----	24	27	21	35	69
Other-----	218	264	550	853	1,118
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	5.3	6.1	6.9	6.3	7.3
Canada-----	1.5	1.3	1.1	1.0	1.2
Mexico-----	.3	.4	.5	.5	.2
Central America <u>2/</u> -----	.9	1.3	.8	.9	1.2
Caribbean <u>3/</u> -----	2.6	3.1	4.6	3.9	4.7
European Economic Community--	53.2	43.1	37.1	29.6	30.0
Japan-----	4.3	9.4	12.4	16.0	11.9
South America-----	3.6	3.9	1.6	1.9	2.9
Other-----	33.6	37.6	42.0	46.2	47.8
Imports (million dollars) <u>4/</u>					
World-----	698	855	1,419	1,660	2,822
North America-----	152	203	320	390	491
Canada-----	139	182	246	304	342
Mexico-----	5	8	36	45	83
Central America <u>2/</u> -----	3	5	19	24	31
Caribbean <u>3/</u> -----	5	8	18	18	35
European Economic Community--	369	508	716	886	1,783
Japan-----	1	2	5	5	10
South America-----	4	8	46	45	76
Other-----	172	133	332	334	462

See footnotes at end of table.

Table B-2.--SITC 1(Beverages and tobacco): Trade of the United States with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	21.8	23.7	22.5	23.5	17.4
Canada-----	19.8	21.3	17.4	18.3	12.1
Mexico-----	.8	.9	2.6	2.7	2.9
Central America <u>2/</u> -----	.4	.6	1.3	1.4	1.1
Caribbean <u>3/</u> -----	.8	1.0	1.3	1.1	1.2
European Economic Community--	52.8	59.4	50.5	53.4	63.2
Japan-----	.2	.3	.4	.3	.3
South America-----	.6	1.0	3.2	2.7	2.7
Other-----	24.6	15.6	23.4	20.1	16.4
Trade balance (million dollars) <u>5/</u>					
World-----	-43	-139	-79	212	-461
North America-----	-112	-151	-217	-261	-304
Canada-----	-129	-173	-228	-285	-309
Mexico-----	1	3	-25	-29	-72
Central America <u>2/</u> -----	3	4	-8	-6	-3
Caribbean <u>3/</u> -----	12	14	44	59	79
European Economic Community--	-23	-202	-218	-331	-1,079
Japan-----	27	64	157	292	270
South America-----	20	19	-23	-9	-7
Other-----	46	131	221	522	659

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-3.--SITC 2(Crude materials excluding fuels): Trade of the United States with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	3,280	4,605	9,784	12,815	20,396
North America-----	516	706	1,280	1,519	2,366
Canada-----	405	533	907	1,092	1,598
Mexico-----	87	146	322	340	628
Central America <u>2/</u> -----	6	11	23	34	49
Caribbean <u>3/</u> -----	18	16	29	52	90
European Economic Community--	1,035	1,431	3,025	4,159	6,296
Japan-----	901	1,305	2,322	2,931	4,806
South America-----	77	122	346	296	460
Other-----	752	1,040	2,810	3,911	6,468
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	15.7	15.3	13.1	11.9	11.6
Canada-----	12.3	11.6	9.3	8.5	7.8
Mexico-----	2.6	3.2	3.3	2.7	3.1
Central America <u>2/</u> -----	.2	.2	.2	.3	.2
Caribbean <u>3/</u> -----	.5	.3	.3	.4	.4
European Economic Community--	31.5	31.1	30.9	32.5	30.9
Japan-----	27.5	28.3	23.7	22.9	23.6
South America-----	2.3	2.7	3.5	2.3	2.3
Other-----	22.9	22.6	28.7	30.5	31.7
Imports (million dollars) <u>4/</u>					
World-----	2,964	3,306	5,426	7,717	10,815
North America-----	1,583	1,940	3,199	4,934	6,761
Canada-----	1,337	1,679	2,771	4,430	6,074
Mexico-----	100	105	188	170	280
Central America <u>2/</u> -----	16	22	51	67	77
Caribbean <u>3/</u> -----	130	134	189	267	329
European Economic Community--	194	175	227	338	476
Japan-----	25	34	55	66	76
South America-----	333	360	692	567	901
Other-----	828	796	1,253	1,812	2,601

See footnotes at end of table.



Table B-3.--SITC 2(Crude materials excluding fuels): Trade of the United States with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	53.4	58.7	59.0	63.9	62.5
Canada-----	45.1	50.8	51.1	57.4	56.2
Mexico-----	3.4	3.2	3.5	2.2	2.6
Central America <u>2/</u> -----	.6	.7	.9	.9	.7
Caribbean <u>3/</u> -----	4.4	4.1	3.5	3.5	3.0
European Economic Community--	6.6	5.3	4.2	4.4	4.4
Japan-----	.8	1.0	1.0	.9	.7
South America-----	11.2	10.9	12.8	7.4	8.3
Other-----	27.9	24.1	23.1	23.5	24.0
Trade balance (million dollars) <u>5/</u>					
World-----	380	1,357	4,446	5,193	9,701
North America-----	-1,041	-1,217	-1,891	-3,387	-4,348
Canada-----	-909	-1,131	-1,840	-3,316	-4,439
Mexico-----	-10	43	138	176	357
Central America <u>2/</u> -----	-10	-11	-28	-32	-27
Caribbean <u>3/</u> -----	-112	-118	-160	-214	-238
European Economic Community--	857	1,275	2,832	3,859	5,857
Japan-----	880	1,278	2,277	2,876	4,746
South America-----	-254	-237	-341	-268	-436
Other-----	-61	257	1,569	2,114	3,881

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-4.--SITC 3(Mineral fuels, etc.): Trade of the United States  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	1,104	1,595	4,470	4,179	5,624
North America-----	326	379	1,119	1,338	1,814
Canada-----	246	271	871	1,141	1,528
Mexico-----	59	67	218	149	224
Central America <u>2/</u> -----	9	10	14	24	38
Caribbean <u>3/</u> -----	13	31	16	24	24
European Economic Community--	335	356	962	883	1,414
Japan-----	208	524	1,573	1,110	1,214
South America-----	68	108	293	274	366
Other-----	166	228	523	574	815
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	29.5	23.7	25.0	32.0	32.3
Canada-----	22.2	17.0	19.5	27.3	27.2
Mexico-----	5.3	4.2	4.9	3.6	4.0
Central America <u>2/</u> -----	.8	.6	.3	.6	.7
Caribbean <u>3/</u> -----	1.2	1.9	.3	.6	.4
European Economic Community--	30.4	22.3	21.5	21.1	25.1
Japan-----	18.8	32.9	35.2	26.6	21.6
South America-----	6.2	6.8	6.6	6.6	6.5
Other-----	15.1	14.3	11.7	13.7	14.5
Imports (million dollars) <u>4/</u>					
World-----	2,250	3,075	26,404	44,198	63,735
North America-----	1,067	1,695	8,620	9,008	13,638
Canada-----	542	1,000	4,709	4,248	5,482
Mexico-----	66	61	371	876	3,162
Central America <u>2/</u> -----	6	12	81	35	5
Caribbean <u>3/</u> -----	454	621	3,459	3,849	4,989
European Economic Community--	41	122	477	1,341	2,702
Japan-----	1	2	4	6	102
South America-----	903	947	3,743	4,257	6,172
Other-----	238	309	13,560	29,586	41,122

See footnotes at end of table.

Table B-4.--SITC 3(Mineral fuels, etc.): Trade of the United States with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	47.4	55.1	32.6	20.4	21.4
Canada-----	24.1	32.5	17.8	9.6	8.6
Mexico-----	3.0	2.0	1.4	2.0	5.0
Central America <u>2/</u> -----	.2	.4	.3	.1	.0
Caribbean <u>3/</u> -----	20.2	20.2	13.1	8.7	7.8
European Economic Community--	1.8	4.0	1.8	3.0	4.2
Japan-----	.0	.1	.0	.0	.2
South America-----	40.1	30.8	14.2	9.6	9.7
Other-----	10.6	10.0	51.4	66.9	64.5
Trade balance (million dollars) <u>5/</u>					
World-----	-1,127	-1,379	-21,922	-39,999	-58,052
North America-----	-723	-1,216	-7,494	-7,655	-11,774
Canada-----	-296	-633	-3,832	-3,097	-3,908
Mexico-----	10	9	-153	-722	-2,936
Central America <u>2/</u> -----	4	-2	-66	-10	33
Caribbean <u>3/</u> -----	-441	-590	-3,443	-3,826	-4,964
European Economic Community--	295	234	487	-453	-1,287
Japan-----	207	522	1,569	1,104	1,115
South America-----	-835	-839	-3,450	-3,982	-5,801
Other-----	-71	-80	-13,034	-29,012	-40,305

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-5.--SITC 4(Animal & vegetable oils & fats): Trade of the United States with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	338	493	944	1,341	1,882
North America-----	31	66	155	156	236
Canada-----	12	22	48	47	45
Mexico-----	2	17	37	31	44
Central America <u>2/</u> -----	8	11	25	31	48
Caribbean <u>3/</u> -----	9	16	45	46	100
European Economic Community--	45	81	121	226	217
Japan-----	37	39	40	60	92
South America-----	27	35	93	148	277
Other-----	198	271	535	751	1,060
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	9.1	13.4	16.4	11.6	12.5
Canada-----	3.6	4.4	5.1	3.5	2.4
Mexico-----	.5	3.5	3.9	2.3	2.3
Central America <u>2/</u> -----	2.2	2.2	2.6	2.3	2.5
Caribbean <u>3/</u> -----	2.8	3.3	4.8	3.5	5.3
European Economic Community--	13.3	16.4	12.8	16.9	11.5
Japan-----	11.0	8.0	4.2	4.4	4.9
South America-----	8.0	7.1	9.9	11.0	14.7
Other-----	58.5	55.0	56.6	56.0	56.3
Imports (million dollars) <u>4/</u>					
World-----	122	160	554	538	784
North America-----	4	3	9	12	15
Canada-----	1	1	5	6	6
Mexico-----	2	1	1	5	2
Central America <u>2/</u> -----	1	0	3	0	0
Caribbean <u>3/</u> -----	0	0	0	1	6
European Economic Community--	16	18	34	31	45
Japan-----	5	4	8	5	6
South America-----	18	22	34	58	56
Other-----	79	113	472	433	663

See footnotes at end of table.

Table B-5.--SITC 4(Animal &amp; vegetable oils &amp; fats): Trade of the United States with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	3.4	1.9	1.7	2.2	1.9
Canada-----	.9	.8	.9	1.1	.8
Mexico-----	1.7	.9	.3	1.0	.3
Central America <u>2/</u> -----	.5	.0	.5	.0	.0
Caribbean <u>3/</u> -----	.3	.2	.1	.2	.8
European Economic Community--	13.1	11.2	6.1	5.7	5.7
Japan-----	4.3	2.7	1.4	.9	.8
South America-----	14.3	13.5	6.1	10.9	7.1
Other-----	64.9	70.6	85.2	80.4	84.5
Trade balance (million dollars) <u>5/</u>					
World-----	217	335	397	820	1,102
North America-----	28	64	151	152	225
Canada-----	12	22	44	45	41
Mexico-----	0	16	38	27	41
Central America <u>2/</u> -----	7	11	22	33	48
Caribbean <u>3/</u> -----	9	16	46	47	94
European Economic Community--	29	64	89	200	172
Japan-----	32	35	32	56	86
South America-----	10	14	60	93	222
Other-----	118	159	63	320	398

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-6.--SITC 5(Chemicals): Trade of the United States  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	2,803	3,826	8,691	10,827	18,665
North America-----	727	934	2,114	2,604	3,913
Canada-----	421	554	1,217	1,539	2,103
Mexico-----	150	171	503	555	1,110
Central America <u>2/</u> -----	80	88	187	277	384
Caribbean <u>3/</u> -----	76	122	207	233	316
European Economic Community--	782	1,201	2,229	2,926	4,670
Japan-----	227	322	590	977	1,662
South America-----	293	447	1,419	1,494	2,374
Other-----	773	923	2,343	2,827	6,046
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	25.9	24.4	24.3	24.1	21.0
Canada-----	15.0	14.5	14.0	14.2	11.3
Mexico-----	5.3	4.5	5.8	5.1	5.9
Central America <u>2/</u> -----	2.9	2.3	2.2	2.6	2.1
Caribbean <u>3/</u> -----	2.7	3.2	2.4	2.1	1.7
European Economic Community--	27.9	31.4	25.6	27.0	25.0
Japan-----	8.1	8.4	6.8	9.0	8.9
South America-----	10.4	11.7	16.3	13.8	12.7
Other-----	27.6	24.1	27.0	26.1	32.4
Imports (million dollars) <u>4/</u>					
World-----	963	1,450	3,706	5,458	8,523
North America-----	355	485	1,034	1,617	2,903
Canada-----	270	362	795	1,326	2,486
Mexico-----	40	25	78	114	201
Central America <u>2/</u> -----	7	3	3	7	5
Caribbean <u>3/</u> -----	39	95	157	170	211
European Economic Community--	343	511	1,543	2,281	3,135
Japan-----	70	176	400	494	671
South America-----	52	47	111	136	180
Other-----	143	232	619	930	1,634

See footnotes at end of table.

Table B-6.--SITC 5(Chemicals): Trade of the United States  
with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	36.9	33.4	27.9	29.6	34.1
Canada-----	28.0	25.0	21.5	24.3	29.2
Mexico-----	4.2	1.7	2.1	2.1	2.4
Central America <u>2/</u> -----	.7	.2	.1	.1	.1
Caribbean <u>3/</u> -----	4.0	6.6	4.2	3.1	2.5
European Economic Community--	35.6	35.3	41.6	41.8	36.8
Japan-----	7.2	12.1	10.8	9.1	7.9
South America-----	5.4	3.2	3.0	2.5	2.1
Other-----	14.9	16.0	16.7	17.0	19.2
Trade balance (million dollars) <u>5/</u>					
World-----	1,850	2,390	5,039	5,478	10,253
North America-----	376	458	1,099	1,009	1,041
Canada-----	154	199	429	227	-357
Mexico-----	110	147	435	446	912
Central America <u>2/</u> -----	74	85	185	273	380
Caribbean <u>3/</u> -----	37	27	50	64	106
European Economic Community--	444	693	702	688	1,567
Japan-----	158	147	193	485	1,004
South America-----	241	401	1,318	1,386	2,207
Other-----	632	692	1,731	1,910	4,434

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-7.—SITC 6(Basic manufactures): Trade of the United States  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	3,390	5,065	10,919	11,269	16,764
North America-----	1,314	1,615	4,095	4,504	5,877
Canada-----	966	1,138	3,023	3,307	3,747
Mexico-----	120	171	522	507	1,227
Central America <u>2/</u> -----	113	141	232	338	418
Caribbean <u>3/</u> -----	114	166	318	352	484
European Economic Community--	764	1,484	2,215	2,212	3,746
Japan-----	141	243	487	549	1,137
South America-----	274	441	960	957	1,269
Other-----	898	1,284	3,170	3,060	4,734
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	38.7	31.9	37.5	40.0	35.1
Canada-----	28.5	22.5	27.7	29.3	22.4
Mexico-----	3.5	3.4	4.8	4.5	7.3
Central America <u>2/</u> -----	3.3	2.8	2.1	3.0	2.5
Caribbean <u>3/</u> -----	3.4	3.3	2.9	3.1	2.9
European Economic Community--	22.5	29.3	20.3	19.6	22.3
Japan-----	4.2	4.8	4.5	4.9	6.8
South America-----	8.1	8.7	8.8	8.5	7.6
Other-----	26.5	25.3	29.0	27.2	28.2
Imports (million dollars) <u>4/</u>					
World-----	6,388	8,439	14,894	21,734	32,273
North America-----	1,856	2,357	4,043	6,044	8,393
Canada-----	1,761	2,221	3,626	5,375	7,350
Mexico-----	86	120	349	584	891
Central America <u>2/</u> -----	2	2	11	15	38
Caribbean <u>3/</u> -----	8	14	57	69	113
European Economic Community--	1,760	2,214	3,421	4,916	6,895
Japan-----	1,155	1,895	3,620	4,480	5,723
South America-----	344	381	379	742	1,519
Other-----	1,274	1,593	3,431	5,552	9,744

See footnotes at end of table.



Table B-7.--SITC 6(Basic manufactures): Trade of the United States with selected countries and regions, specified years 1967 to 1979--Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	29.1	27.9	27.1	27.8	26.0
Canada-----	27.6	26.3	24.3	24.7	22.8
Mexico-----	1.3	1.4	2.3	2.7	2.8
Central America <u>2/</u> -----	.0	.0	.1	.1	.1
Caribbean <u>3/</u> -----	.1	.2	.4	.3	.4
European Economic Community--	27.5	26.2	23.0	22.6	21.4
Japan-----	18.1	22.4	24.3	20.6	17.7
South America-----	5.4	4.5	2.5	3.4	4.7
Other-----	19.9	18.9	23.0	25.5	30.2
Trade balance (million dollars) <u>5/</u>					
World-----	-2,895	-3,260	-3,664	-10,017	-14,916
North America-----	-528	-718	115	-1,427	-2,362
Canada-----	-784	-1,065	-552	-1,968	-3,483
Mexico-----	36	54	181	-71	360
Central America <u>2/</u> -----	112	139	221	328	385
Caribbean <u>3/</u> -----	107	153	265	285	377
European Economic Community--	-965	-692	-1,098	-2,540	-2,942
Japan-----	-1,009	-1,648	-3,071	-3,915	-4,556
South America-----	-68	62	587	223	-232
Other-----	-325	-262	-190	-2,347	-4,824

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-8.--SITC 7(Machines & transportation equip.): Trade of the United States with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	12,573	17,882	45,668	51,037	71,507
North America-----	4,896	6,172	15,814	17,821	24,415
Canada-----	3,938	4,868	12,350	14,427	18,257
Mexico-----	619	801	2,429	2,141	4,650
Central America <u>2/</u> -----	167	231	475	711	755
Caribbean <u>3/</u> -----	172	272	561	542	753
European Economic Community--	2,435	4,077	7,662	8,771	14,855
Japan-----	502	1,146	1,699	1,672	3,477
South America-----	1,113	1,542	4,011	4,586	6,165
Other-----	3,628	4,975	16,506	18,206	22,596
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	38.9	34.5	34.6	34.9	34.1
Canada-----	31.3	27.2	27.0	28.3	25.5
Mexico-----	4.9	4.5	5.3	4.2	6.5
Central America <u>2/</u> -----	1.3	1.3	1.0	1.4	1.1
Caribbean <u>3/</u> -----	1.4	1.5	1.2	1.1	1.1
European Economic Community--	19.4	22.8	16.8	17.2	20.8
Japan-----	4.0	6.4	3.7	3.3	4.9
South America-----	8.9	8.6	8.8	9.0	8.6
Other-----	28.9	27.8	36.1	35.7	31.6
Imports (million dollars) <u>4/</u>					
World-----	5,791	11,172	24,237	36,498	55,396
North America-----	2,273	4,573	8,889	12,733	15,280
Canada-----	2,258	4,407	7,958	11,565	13,209
Mexico-----	14	154	868	1,060	1,871
Central America <u>2/</u> -----	0	0	20	53	103
Caribbean <u>3/</u> -----	1	12	43	55	98
European Economic Community--	2,166	3,472	6,848	8,271	14,060
Japan-----	876	2,243	5,599	10,703	17,398
South America-----	6	15	137	293	506
Other-----	469	868	2,764	4,498	8,152

See footnotes at end of table.

Table B-8.--SITC 7(Machines &amp; transportation equip.): Trade of the United States with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	39.3	40.9	36.7	34.9	27.6
Canada-----	39.0	39.4	32.8	31.7	23.8
Mexico-----	.2	1.4	3.6	2.9	3.4
Central America <u>2/</u> -----	.0	.0	.1	.1	.2
Caribbean <u>3/</u> -----	.0	.1	.2	.2	.2
European Economic Community--	37.4	31.1	28.3	22.7	25.4
Japan-----	15.1	20.1	23.1	29.3	31.4
South America-----	.1	.1	.6	.8	.9
Other-----	8.1	7.8	11.4	12.3	14.7
Trade balance (million dollars) <u>5/</u>					
World-----	6,850	6,847	21,903	15,139	17,275
North America-----	2,658	1,668	7,094	5,320	9,560
Canada-----	1,709	519	4,523	3,044	5,347
Mexico-----	607	653	1,589	1,118	2,873
Central America <u>2/</u> -----	169	233	459	665	671
Caribbean <u>3/</u> -----	173	263	523	493	669
European Economic Community--	286	644	948	644	1,131
Japan-----	-371	-1,090	-3,864	-8,992	-13,834
South America-----	1,110	1,534	3,907	4,347	5,726
Other-----	3,167	4,121	13,843	13,840	14,692

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-9.—SITC 8(Miscellaneous manufactured goods): Trade of the United States with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	2,003	2,597	5,691	7,383	10,170
North America-----	694	837	1,877	2,346	2,865
Canada-----	511	575	1,293	1,613	1,720
Mexico-----	73	123	329	341	585
Central America <u>2/</u> -----	42	51	108	169	232
Caribbean <u>3/</u> -----	68	89	147	222	328
European Economic Community—	546	712	1,523	2,095	2,996
Japan-----	128	240	436	526	912
South America-----	131	175	340	468	748
Other-----	504	633	1,518	1,949	2,648
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	34.7	32.2	33.0	31.8	28.2
Canada-----	25.5	22.1	22.7	21.9	16.9
Mexico-----	3.7	4.7	5.8	4.6	5.8
Central America <u>2/</u> -----	2.1	1.9	1.9	2.3	2.3
Caribbean <u>3/</u> -----	3.4	3.4	2.6	3.0	3.2
European Economic Community—	27.2	27.4	26.8	28.4	29.5
Japan-----	6.4	9.2	7.7	7.1	9.0
South America-----	6.5	6.8	6.0	6.3	7.4
Other-----	25.2	24.4	26.7	26.4	26.0
Imports (million dollars) <u>4/</u>					
World-----	2,576	4,846	9,261	14,923	23,371
North America-----	134	413	990	1,309	2,081
Canada-----	94	283	476	636	979
Mexico-----	24	99	390	435	727
Central America <u>2/</u> -----	1	6	41	94	127
Caribbean <u>3/</u> -----	15	25	84	144	248
European Economic Community—	929	1,425	2,176	2,895	4,722
Japan-----	697	1,278	1,406	2,739	3,745
South America-----	6	19	251	358	513
Other-----	811	1,712	4,438	7,623	12,311

See footnotes at end of table.

Table B-9.--SITC 8(Miscellaneous manufactured goods): Trade of the United States with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	5.2	8.5	10.7	8.8	8.9
Canada-----	3.7	5.8	5.1	4.3	4.2
Mexico-----	.9	2.1	4.2	2.9	3.1
Central America <u>2/</u> -----	.0	.1	.4	.6	.5
Caribbean <u>3/</u> -----	.6	.5	.9	1.0	1.1
European Economic Community--	36.1	29.4	23.5	19.4	20.2
Japan-----	27.1	26.4	15.2	18.4	16.0
South America-----	.2	.4	2.7	2.4	2.2
Other-----	31.5	35.3	47.9	51.1	52.7
Trade balance (million dollars) <u>5/</u>					
World-----	-523	-2,154	-3,260	-7,249	-12,621
North America-----	573	444	949	1,108	905
Canada-----	426	305	852	1,021	802
Mexico-----	51	27	-40	-79	-104
Central America <u>2/</u> -----	42	45	68	81	116
Caribbean <u>3/</u> -----	54	66	69	85	91
European Economic Community--	-360	-664	-520	-689	-1,553
Japan-----	-567	-1,031	-958	-2,200	-2,794
South America-----	126	159	101	132	341
Other-----	-295	-1,061	-2,831	-5,599	-9,520

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-10.--SITC 9(Goods not classified by kind): Trade of the United States with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	943	1,470	3,143	3,162	4,138
North America-----	182	449	901	908	1,293
Canada-----	114	270	531	614	917
Mexico-----	32	75	186	174	218
Central America <u>2/</u> -----	10	31	62	40	47
Caribbean <u>3/</u> -----	27	72	122	81	111
European Economic Community--	38	124	234	168	365
Japan-----	5	20	40	23	61
South America-----	21	53	142	77	121
Other-----	698	825	1,828	1,987	2,298
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	19.3	30.6	28.7	28.7	31.2
Canada-----	12.1	18.4	16.9	19.4	22.2
Mexico-----	3.3	5.1	5.9	5.5	5.3
Central America <u>2/</u> -----	1.0	2.1	2.0	1.3	1.1
Caribbean <u>3/</u> -----	2.8	4.9	3.9	2.5	2.7
European Economic Community--	4.0	8.5	7.4	5.3	8.8
Japan-----	.5	1.3	1.3	.7	1.5
South America-----	2.2	3.6	4.5	2.4	2.9
Other-----	74.0	56.1	58.2	62.8	55.5
Imports (million dollars) <u>4/</u>					
World-----	1,060	1,274	2,514	2,687	3,447
North America-----	471	607	1,147	1,233	1,576
Canada-----	397	494	892	936	1,191
Mexico-----	48	71	179	217	286
Central America <u>2/</u> -----	6	10	24	22	36
Caribbean <u>3/</u> -----	20	33	52	57	63
European Economic Community--	318	310	631	610	808
Japan-----	60	78	156	160	158
South America-----	25	32	75	96	121
Other-----	186	247	506	589	784

See footnotes at end of table.

Table B-10.--SITC 9(Goods not classified by kind): Trade of the United States with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	44.4	47.6	45.6	45.9	45.7
Canada-----	37.4	38.8	35.5	34.8	34.5
Mexico-----	4.5	5.5	7.1	8.1	8.3
Central America <u>2/</u> -----	.6	.8	1.0	.8	1.0
Caribbean <u>3/</u> -----	1.9	2.6	2.1	2.1	1.8
European Economic Community--	30.0	24.4	25.1	22.7	23.5
Japan-----	5.6	6.1	6.2	5.9	4.6
South America-----	2.4	2.5	3.0	3.6	3.5
Other-----	17.6	19.4	20.1	21.9	22.7
Trade balance (million dollars) <u>5/</u>					
World-----	-116	198	640	495	701
North America-----	-289	-157	-243	-317	-281
Canada-----	-283	-224	-358	-317	-272
Mexico-----	-16	5	7	-42	-68
Central America <u>2/</u> -----	4	22	38	18	11
Caribbean <u>3/</u> -----	6	40	71	24	48
European Economic Community--	-280	-185	-394	-437	-441
Japan-----	-55	-58	-116	-136	-96
South America-----	-5	21	68	-17	1
Other-----	512	579	1,325	1,403	1,519

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-11.--Total trade of the United States with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars) <u>1/</u>					
World-----	31,147	42,590	106,102	117,963	173,645
North America-----	9,325	12,028	29,454	33,516	45,611
Canada-----	7,033	8,787	21,296	25,009	31,218
Mexico-----	1,190	1,672	5,058	4,722	9,445
Central America <u>2/</u> -----	488	639	1,293	1,818	2,202
Caribbean <u>3/</u> -----	614	930	1,807	1,967	2,747
European Economic Community--	7,451	10,943	21,921	25,467	39,097
Japan-----	2,635	4,569	9,330	10,379	17,240
South America-----	2,309	3,195	8,578	9,004	13,222
Other-----	9,426	11,890	36,858	39,633	58,475
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	29.9	28.2	27.8	28.4	26.3
Canada-----	22.6	20.6	20.1	21.2	18.0
Mexico-----	3.8	3.9	4.8	4.0	5.4
Central America <u>2/</u> -----	1.6	1.5	1.2	1.5	1.3
Caribbean <u>3/</u> -----	2.0	2.2	1.7	1.7	1.6
European Economic Community--	23.9	25.7	20.7	21.6	22.5
Japan-----	8.5	10.7	8.8	8.8	9.9
South America-----	7.4	7.5	8.1	7.6	7.6
Other-----	30.3	27.9	34.7	33.6	33.7
Imports (million dollars) <u>4/</u>					
World-----	26,816	39,952	96,903	147,848	217,455
North America-----	9,058	13,966	30,967	41,341	56,395
Canada-----	7,099	11,092	22,151	29,759	38,458
Mexico-----	749	1,219	3,067	4,689	8,994
Central America <u>2/</u> -----	376	498	1,040	1,702	2,301
Caribbean <u>3/</u> -----	835	1,157	4,710	5,192	6,642
European Economic Community--	6,484	9,222	16,735	22,382	35,517
Japan-----	2,999	5,875	11,425	18,902	28,135
South America-----	2,663	2,958	7,232	9,358	14,061
Other-----	5,611	7,954	30,616	56,023	83,348

See footnotes at end of table.



Table B-11.--Total trade of the United States with selected countries and regions, specified years 1967 to 1979--Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	33.8	35.0	32.0	28.0	25.9
Canada-----	26.5	27.8	22.9	20.1	17.7
Mexico-----	2.8	3.1	3.2	3.2	4.1
Central America <u>2/</u> -----	1.4	1.2	1.1	1.2	1.1
Caribbean <u>3/</u> -----	3.1	2.9	4.9	3.5	3.1
European Economic Community--	24.2	23.1	17.3	15.1	16.3
Japan-----	11.2	14.7	11.8	12.8	12.9
South America-----	9.9	7.4	7.5	6.3	6.5
Other-----	20.9	19.9	31.6	37.9	38.3
Trade balance (million dollars) <u>5/</u>					
World-----	4,718	3,272	10,688	-27,685	-40,682
North America-----	421	-1,619	-1,005	-6,964	-9,592
Canada-----	47	-2,027	-459	-4,025	-6,309
Mexico-----	474	484	2,073	116	631
Central America <u>2/</u> -----	117	144	262	141	-59
Caribbean <u>3/</u> -----	-217	-220	-2,881	-3,197	-3,855
European Economic Community--	1,064	1,880	5,653	3,697	4,415
Japan-----	-333	-1,265	-1,956	-8,415	-10,686
South America-----	-344	251	1,417	-179	-617
Other-----	3,910	4,037	6,546	-15,945	-24,202

1/ Domestic exports at f.a.s. value.

2/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

3/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

4/ General imports. C.i.f. valuation for 1979, customs value (approximately f.o.b.) for other years.

5/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-12.--SITC 0(Food & live animals): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	1,337	1,566	3,685	3,918	4,930
North America-----	347	536	764	1,020	1,407
United States-----	304	476	682	916	1,260
Mexico-----	3	12	18	24	30
Central America <u>1</u> /-----	5	3	5	4	6
Caribbean <u>2</u> /-----	36	45	60	75	110
European Economic Community--	401	375	716	771	869
Japan-----	130	126	525	583	788
South America-----	24	47	89	145	127
Other-----	435	482	1,590	1,400	1,739
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	26.0	34.3	20.7	26.0	28.5
United States-----	22.7	30.4	18.5	23.4	25.6
Mexico-----	.2	.8	.5	.6	.6
Central America <u>1</u> /-----	.4	.2	.1	.1	.1
Caribbean <u>2</u> /-----	2.7	2.9	1.6	1.9	2.2
European Economic Community--	30.0	24.0	19.4	19.7	17.6
Japan-----	9.8	8.0	14.2	14.9	16.0
South America-----	1.8	3.0	2.4	3.7	2.6
Other-----	32.5	30.8	43.2	35.7	35.3
Imports (million dollars)					
World-----	737	971	2,398	2,834	3,304
North America-----	447	541	1,372	1,785	2,025
United States-----	392	468	1,248	1,556	1,802
Mexico-----	15	26	35	93	77
Central America <u>1</u> /-----	29	42	60	91	112
Caribbean <u>2</u> /-----	10	5	28	44	33
European Economic Community--	57	72	156	207	211
Japan-----	11	17	33	43	38
South America-----	52	65	106	216	293
Other-----	170	276	731	583	736

See footnotes at end of table.

Table B-12.--SITC 0(Food & live animals): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	60.6	55.8	57.2	63.0	61.3
United States-----	53.2	48.2	52.1	54.9	54.6
Mexico-----	2.1	2.7	1.5	3.3	2.3
Central America <u>1/</u> -----	4.0	4.3	2.5	3.2	3.4
Caribbean <u>2/</u> -----	1.4	.5	1.2	1.6	1.0
European Economic Community--	7.7	7.4	6.5	7.3	6.4
Japan-----	1.5	1.7	1.4	1.5	1.2
South America-----	7.1	6.7	4.4	7.6	8.9
Other-----	23.0	28.5	30.5	20.6	22.3
Trade balance (million dollars) <u>3/</u>					
World-----	600	595	1,287	1,084	1,626
North America-----	-100	-5	-607	-765	-618
United States-----	-88	7	-566	-640	-542
Mexico-----	-13	-14	-17	-69	-47
Central America <u>1/</u> -----	-25	-39	-56	-87	-106
Caribbean <u>2/</u> -----	26	41	32	31	77
European Economic Community--	344	304	561	564	658
Japan-----	119	109	492	540	749
South America-----	-28	-18	-17	-72	-167
Other-----	265	205	859	817	1,004

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-13.--SITC 1(Beverages and tobacco): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	182	237	329	356	445
North America-----	134	181	258	294	333
United States-----	132	178	256	292	331
Mexico-----	0	0	0	0	0
Central America 1/-----	0	0	0	0	1
Caribbean 2/-----	2	2	2	2	2
European Economic Community--	44	52	64	55	96
Japan-----	0	0	1	1	2
South America-----	0	0	0	0	0
Other-----	3	4	6	7	13
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	73.7	76.2	78.4	82.5	75.0
United States-----	72.4	75.0	77.8	82.0	74.3
Mexico-----	.0	.0	.0	.0	.0
Central America 1/-----	.0	.1	.0	.0	.1
Caribbean 2/-----	1.2	1.0	.5	.5	.5
European Economic Community--	24.3	21.9	19.5	15.3	21.6
Japan-----	.1	.2	.2	.3	.4
South America-----	.2	.1	.1	.0	.0
Other-----	1.6	1.7	1.8	1.8	3.0
Imports (million dollars)					
World-----	57	72	192	233	263
North America-----	13	13	31	35	55
United States-----	11	10	22	22	37
Mexico-----	0	0	1	3	4
Central America 1/-----	0	0	0	1	1
Caribbean 2/-----	3	3	8	9	13
European Economic Community--	36	48	134	167	174
Japan-----	0	0	0	0	0
South America-----	0	1	2	1	2
Other-----	7	10	24	29	33

See footnotes at end of table.

Table B-13.--SITC 1(Beverages and tobacco): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	23.4	18.3	16.3	15.1	20.8
United States-----	18.6	13.9	11.3	9.6	14.1
Mexico-----	.2	.2	.6	1.1	1.4
Central America <u>1/</u> -----	.0	.1	.2	.3	.3
Caribbean <u>2/</u> -----	4.6	4.2	4.3	4.1	5.1
European Economic Community--	63.4	66.6	70.0	71.7	66.0
Japan-----	.1	.1	.1	.1	.2
South America-----	.8	1.4	.8	.6	.6
Other-----	12.1	13.6	12.7	12.5	12.4
Trade balance (million dollars) <u>3/</u>					
World-----	125	166	137	123	182
North America-----	121	167	226	259	278
United States-----	121	168	234	270	293
Mexico-----	0	0	-1	-2	-4
Central America <u>1/</u> -----	0	0	0	-1	0
Caribbean <u>2/</u> -----	0	-1	-6	-8	-11
European Economic Community--	8	4	-70	-113	-78
Japan-----	0	0	0	1	1
South America-----	0	-1	-1	-1	-1
Other-----	-4	-6	-19	-22	-19

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-14.--SITC 2(Crude materials excluding fuels): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	2,492	3,553	6,116	8,557	11,600
North America-----	1,334	1,696	2,853	4,603	5,843
United States-----	1,322	1,678	2,823	4,570	5,787
Mexico-----	10	14	22	22	39
Central America <u>1</u> /-----	1	1	4	6	6
Caribbean <u>2</u> /-----	2	3	4	6	11
European Economic Community--	625	959	1,696	1,972	2,699
Japan-----	289	483	945	1,036	1,784
South America-----	24	25	55	82	127
Other-----	221	390	567	864	1,147
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	53.5	47.7	46.6	53.8	50.4
United States-----	53.0	47.2	46.2	53.4	49.9
Mexico-----	.4	.4	.4	.3	.3
Central America <u>1</u> /-----	.0	.0	.1	.1	.1
Caribbean <u>2</u> /-----	.1	.1	.1	.1	.1
European Economic Community--	25.1	27.0	27.7	23.1	23.3
Japan-----	11.6	13.6	15.5	12.1	15.4
South America-----	1.0	.7	.9	1.0	1.1
Other-----	8.8	11.0	9.3	10.1	9.9
Imports (million dollars)					
World-----	586	682	1,436	1,579	2,536
North America-----	419	491	1,078	1,139	1,957
United States-----	385	454	1,051	1,090	1,933
Mexico-----	7	11	15	14	21
Central America <u>1</u> /-----	1	1	1	2	2
Caribbean <u>2</u> /-----	26	24	11	32	1
European Economic Community--	41	39	64	100	109
Japan-----	3	3	10	17	10
South America-----	34	40	65	49	106
Other-----	89	109	218	274	353

See footnotes at end of table.

Table B-14.--SITC 2(Crude materials excluding fuels): Trade of Canada with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	71.5	72.0	75.1	72.1	77.2
United States-----	65.7	66.7	73.2	69.0	76.2
Mexico-----	1.3	1.7	1.1	.9	.8
Central America <u>1/</u> -----	.1	.1	.1	.2	.1
Caribbean <u>2/</u> -----	4.4	3.6	.8	2.1	.1
European Economic Community--	7.0	5.8	4.4	6.4	4.3
Japan-----	.5	.4	.7	1.1	.4
South America-----	5.8	5.9	4.6	3.1	4.2
Other-----	15.1	16.0	15.2	17.3	13.9
Trade balance (million dollars) <u>3/</u>					
World-----	1,907	2,871	4,680	6,978	9,064
North America-----	915	1,206	1,775	3,464	3,886
United States-----	936	1,223	1,772	3,480	3,854
Mexico-----	2	3	7	7	19
Central America <u>1/</u> -----	0	1	2	3	4
Caribbean <u>2/</u> -----	-24	-21	-7	-27	9
European Economic Community--	584	919	1,632	1,872	2,590
Japan-----	286	480	935	1,019	1,774
South America-----	-10	-15	-11	33	21
Other-----	132	281	349	590	793

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-15.--SITC 3(Mineral fuels, etc.): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	558	978	5,334	5,171	7,281
North America-----	540	939	4,742	4,556	6,176
United States-----	540	939	4,728	4,550	6,162
Mexico-----	0	0	12	6	4
Central America <u>1</u> /-----	0	0	1	0	0
Caribbean <u>2</u> /-----	0	0	1	0	10
European Economic Community--	0	3	81	32	230
Japan-----	17	31	471	531	527
South America-----	0	0	1	10	103
Other-----	1	5	39	41	245
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	96.7	96.0	88.9	88.1	84.8
United States-----	96.7	96.0	88.6	88.0	84.6
Mexico-----	.0	.0	.2	.1	.1
Central America <u>1</u> /-----	.0	.0	.0	.0	.0
Caribbean <u>2</u> /-----	.0	.0	.0	.0	.1
European Economic Community--	.0	.3	1.5	.6	3.2
Japan-----	3.0	3.2	8.8	10.3	7.2
South America-----	.0	.0	.0	.2	1.4
Other-----	.2	.5	.7	.8	3.4
Imports (million dollars)					
World-----	666	749	4,090	3,920	4,884
North America-----	305	285	792	1,121	1,918
United States-----	231	222	730	1,024	1,881
Mexico-----	0	0	0	5	0
Central America <u>1</u> /-----	4	2	3	0	0
Caribbean <u>2</u> /-----	69	61	60	93	37
European Economic Community--	9	6	25	23	26
Japan-----	0	0	0	0	0
South America-----	254	338	1,083	1,311	1,281
Other-----	99	120	2,190	1,465	1,659

See footnotes at end of table.



Table B-15.--SITC 3(Mineral fuels, etc.): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	45.7	38.0	19.4	28.6	39.3
United States-----	34.7	29.6	17.8	26.1	38.5
Mexico-----	.0	.0	.0	.1	.0
Central America <u>1</u> /-----	.7	.2	.1	.0	.0
Caribbean <u>2</u> /-----	10.4	8.2	1.5	2.4	.8
European Economic Community--	1.3	.8	.6	.6	.5
Japan-----	.0	.0	.0	.0	.0
South America-----	38.2	45.1	26.5	33.4	26.2
Other-----	14.9	16.0	53.5	37.4	34.0
Trade balance (million dollars) <u>3</u> /					
World-----	-108	229	1,243	1,251	2,396
North America-----	235	654	3,950	3,435	4,258
United States-----	309	717	3,998	3,526	4,281
Mexico-----	0	0	12	2	4
Central America <u>1</u> /-----	-4	-2	-2	0	0
Caribbean <u>2</u> /-----	-69	-61	-58	-93	-27
European Economic Community--	-8	-3	56	9	204
Japan-----	17	31	471	531	527
South America-----	-254	-337	-1,083	-1,301	-1,179
Other-----	-98	-115	-2,151	-1,424	-1,414

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-16.--SITC 4(Animal &amp; vegetable oils &amp; fats): Trade of Canada with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	17	31	55	123	175
North America-----	1	3	7	8	14
United States-----	1	2	6	7	10
Mexico-----	0	0	0	0	1
Central America <u>1</u> /-----	0	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	1	2
European Economic Community--	11	20	15	28	49
Japan-----	2	5	5	13	21
South America-----	0	0	0	1	10
Other-----	3	3	28	74	82
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	8.5	8.3	12.2	6.1	7.9
United States-----	5.7	7.1	11.3	5.4	6.0
Mexico-----	.0	.0	.0	.0	.6
Central America <u>1</u> /-----	.8	.0	.0	.0	.0
Caribbean <u>2</u> /-----	2.0	1.2	.8	.7	1.3
European Economic Community--	64.4	63.8	27.5	22.7	27.9
Japan-----	10.5	16.9	9.6	10.7	11.9
South America-----	.5	.1	.4	.4	5.5
Other-----	15.9	10.9	50.3	60.0	46.8
Imports (million dollars)					
World-----	32	45	97	96	117
North America-----	12	25	53	57	63
United States-----	12	25	53	57	63
Mexico-----	0	0	0	0	0
Central America <u>1</u> /-----	0	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	0	0
European Economic Community--	7	4	7	3	6
Japan-----	0	0	0	0	0
South America-----	1	1	3	2	3
Other-----	12	14	34	34	44

See footnotes at end of table.

Table B-16.--SITC 4(Animal & vegetable oils & fats): Trade of Canada with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	37.4	56.8	54.0	59.1	53.9
United States-----	37.3	56.7	54.0	59.1	53.9
Mexico-----	.0	.0	.0	.0	.0
Central America <u>1</u> /-----	.0	.0	.0	.0	.0
Caribbean <u>2</u> /-----	.0	.0	.0	.0	.0
European Economic Community--	21.7	8.8	7.1	3.3	5.4
Japan-----	.6	.0	.1	.2	.2
South America-----	2.3	2.6	3.5	1.7	2.5
Other-----	37.9	31.9	35.3	35.7	38.0
Trade balance (million dollars) <u>3</u> /					
World-----	-15	-13	-42	27	58
North America-----	-11	-23	-46	-49	-49
United States-----	-11	-23	-46	-50	-53
Mexico-----	0	0	0	0	1
Central America <u>1</u> /-----	0	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	1	2
European Economic Community--	4	16	8	25	43
Japan-----	2	5	5	13	20
South America-----	-1	-1	-3	-1	7
Other-----	-9	-11	-7	40	37

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-17.--SITC 5(Chemicals): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	372	553	1,063	1,696	3,136
North America-----	252	361	785	1,277	2,108
United States-----	243	349	767	1,256	2,072
Mexico-----	2	2	4	3	10
Central America <u>1</u> /-----	2	3	5	7	9
Caribbean <u>2</u> /-----	5	7	10	11	17
European Economic Community--	63	96	116	163	344
Japan-----	13	22	27	61	85
South America-----	7	10	28	43	155
Other-----	37	63	108	151	445
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	67.7	65.4	73.8	75.3	67.2
United States-----	65.2	63.2	72.1	74.1	66.1
Mexico-----	.6	.4	.3	.2	.3
Central America <u>1</u> /-----	.6	.5	.5	.4	.3
Caribbean <u>2</u> /-----	1.3	1.3	.9	.6	.5
European Economic Community--	17.0	17.4	10.9	9.6	11.0
Japan-----	3.4	3.9	2.5	3.6	2.7
South America-----	1.9	1.9	2.7	2.6	4.9
Other-----	9.8	11.4	10.2	8.9	14.2
Imports (million dollars)					
World-----	566	802	1,772	2,347	3,308
North America-----	446	628	1,368	1,821	2,497
United States-----	442	625	1,361	1,810	2,456
Mexico-----	2	1	2	5	6
Central America <u>1</u> /-----	2	0	0	0	1
Caribbean <u>2</u> /-----	0	2	5	5	34
European Economic Community--	88	117	267	345	523
Japan-----	6	11	32	30	57
South America-----	3	2	3	4	5
Other-----	23	43	101	147	225

See footnotes at end of table.

Table B-17.—SITC 5(Chemicals): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979—Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	78.8	78.3	77.2	77.6	75.5
United States-----	78.0	77.9	76.8	77.1	74.3
Mexico-----	.3	.1	.1	.2	.2
Central America <u>1/</u> -----	.4	.1	.0	.0	.0
Caribbean <u>2/</u> -----	.1	.3	.3	.2	1.0
European Economic Community--	15.5	14.6	15.1	14.7	15.8
Japan-----	1.1	1.3	1.8	1.3	1.7
South America-----	.5	.3	.2	.2	.2
Other-----	4.1	5.4	5.7	6.3	6.8
Trade balance (million dollars) <u>3/</u>					
World-----	-194	-249	-709	-651	-171
North America-----	-194	-267	-583	-543	-389
United States-----	-199	-275	-594	-554	-384
Mexico-----	1	1	2	-1	4
Central America <u>1/</u> -----	0	2	5	7	9
Caribbean <u>2/</u> -----	5	5	5	6	-17
European Economic Community--	-25	-21	-151	-182	-180
Japan-----	6	11	-6	31	28
South America-----	5	8	25	39	149
Other-----	13	20	7	4	220

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-18.--SITC 6(Basic manufactures): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	2,563	3,639	5,412	7,197	9,689
North America-----	1,754	2,269	3,746	5,101	7,341
United States-----	1,705	2,187	3,613	4,943	7,172
Mexico-----	21	33	59	75	39
Central America 1/-----	8	12	30	38	55
Caribbean 2/-----	20	38	44	44	75
European Economic Community--	496	845	874	836	1,022
Japan-----	67	79	54	82	177
South America-----	67	111	199	203	226
Other-----	180	334	539	975	923
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	68.4	62.4	69.2	70.9	75.8
United States-----	66.5	60.1	66.8	68.7	74.0
Mexico-----	.8	.9	1.1	1.0	.4
Central America 1/-----	.3	.3	.6	.5	.6
Caribbean 2/-----	.8	1.0	.8	.6	.8
European Economic Community--	19.4	23.2	16.1	11.6	10.6
Japan-----	2.6	2.2	1.0	1.1	1.8
South America-----	2.6	3.1	3.7	2.8	2.3
Other-----	7.0	9.2	10.0	13.5	9.5
Imports (million dollars)					
World-----	1,599	2,032	4,585	4,846	6,847
North America-----	970	1,276	2,956	3,141	4,342
United States-----	968	1,274	2,936	3,124	4,325
Mexico-----	2	2	8	15	15
Central America 1/-----	0	0	2	1	1
Caribbean 2/-----	0	0	10	1	1
European Economic Community--	327	346	747	731	1,151
Japan-----	118	180	361	389	451
South America-----	3	7	42	67	127
Other-----	182	223	479	518	776

See footnotes at end of table.

Table B-18.--SITC 6(Basic manufactures): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	60.6	62.8	64.5	64.8	63.4
United States-----	60.5	62.7	64.0	64.5	63.2
Mexico-----	.1	.1	.2	.3	.2
Central America 1/-----	.0	.0	.0	.0	.0
Caribbean 2/-----	.0	.0	.2	.0	.0
European Economic Community--	20.4	17.0	16.3	15.1	16.8
Japan-----	7.4	8.9	7.9	8.0	6.6
South America-----	.2	.3	.9	1.4	1.9
Other-----	11.4	11.0	10.5	10.7	11.3
Trade balance (million dollars) 3/					
World-----	965	1,607	827	2,350	2,842
North America-----	784	993	790	1,959	2,999
United States-----	738	913	677	1,819	2,847
Mexico-----	19	31	51	60	24
Central America 1/-----	8	11	28	37	54
Caribbean 2/-----	20	38	34	43	74
European Economic Community--	169	499	127	105	-128
Japan-----	-51	-101	-307	-306	-274
South America-----	64	105	157	136	99
Other-----	-2	111	60	456	146

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-19.--SITC 7(Machines & transportation equip.): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	2,830	5,253	9,683	13,522	16,299
North America-----	2,436	4,559	8,082	11,682	13,851
United States-----	2,406	4,486	7,922	11,561	13,654
Mexico-----	10	29	101	67	70
Central America <u>1</u> /-----	3	7	17	17	19
Caribbean <u>2</u> /-----	18	37	41	36	108
European Economic Community--	93	234	384	382	485
Japan-----	12	14	48	31	47
South America-----	93	162	363	561	661
Other-----	195	284	806	867	1,255
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	86.1	86.8	83.5	86.4	85.0
United States-----	85.0	85.4	81.8	85.5	83.8
Mexico-----	.4	.6	1.0	.5	.4
Central America <u>1</u> /-----	.1	.1	.2	.1	.1
Caribbean <u>2</u> /-----	.6	.7	.4	.3	.7
European Economic Community--	3.3	4.5	4.0	2.8	3.0
Japan-----	.4	.3	.5	.2	.3
South America-----	3.3	3.1	3.8	4.1	4.1
Other-----	6.9	5.4	8.3	6.4	7.7
Imports (million dollars)					
World-----	4,768	6,495	16,172	19,543	25,845
North America-----	4,133	5,493	13,822	16,887	22,412
United States-----	4,133	5,491	13,807	16,849	22,369
Mexico-----	0	1	15	35	38
Central America <u>1</u> /-----	0	0	0	0	1
Caribbean <u>2</u> /-----	0	1	0	4	4
European Economic Community--	475	620	1,294	1,200	1,694
Japan-----	69	228	587	914	939
South America-----	0	1	46	42	48
Other-----	91	154	423	499	752

See footnotes at end of table.



Table B-19.—SITC 7(Machines & transportation equip.): Trade of Canada with selected countries and regions, specified years 1967 to 1979—Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	86.7	84.6	85.5	86.4	86.7
United States-----	86.7	84.5	85.4	86.2	86.6
Mexico-----	.0	.0	.1	.2	.1
Central America <u>1</u> /-----	.0	.0	.0	.0	.0
Caribbean <u>2</u> /-----	.0	.0	.0	.0	.0
European Economic Community--	10.0	9.5	8.0	6.1	6.6
Japan-----	1.4	3.5	3.6	4.7	3.6
South America-----	.0	.0	.3	.2	.2
Other-----	1.9	2.4	2.6	2.6	2.9
Trade balance (million dollars) <u>3</u> /					
World-----	-1,938	-1,242	-6,489	-6,020	-9,545
North America-----	-1,697	-934	-5,740	-5,206	-8,561
United States-----	-1,727	-1,005	-5,885	-5,287	-8,715
Mexico-----	10	29	87	32	32
Central America <u>1</u> /-----	3	7	17	17	17
Caribbean <u>2</u> /-----	18	36	41	32	104
European Economic Community--	-382	-385	-910	-818	-1,209
Japan-----	-56	-214	-539	-883	-891
South America-----	93	161	317	519	613
Other-----	104	130	383	368	502

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-20.--SITC 8(Miscellaneous manufactured goods): Trade of Canada  
with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	121	278	524	669	1,388
North America-----	81	220	370	494	952
United States-----	74	207	354	474	905
Mexico-----	1	1	1	2	7
Central America <u>1</u> /-----	0	1	1	4	12
Caribbean <u>2</u> /-----	6	11	13	14	28
European Economic Community--	20	29	81	88	195
Japan-----	1	2	9	9	25
South America-----	2	2	4	5	19
Other-----	16	25	60	72	197
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	67.5	79.0	70.7	73.9	68.6
United States-----	61.4	74.4	67.7	71.0	65.2
Mexico-----	1.0	.2	.3	.3	.5
Central America <u>1</u> /-----	.3	.3	.2	.6	.8
Caribbean <u>2</u> /-----	4.7	4.1	2.5	2.1	2.0
European Economic Community--	16.9	10.3	15.5	13.2	14.1
Japan-----	.6	.8	1.6	1.3	1.8
South America-----	1.9	.8	.9	.7	1.4
Other-----	12.9	9.1	11.4	10.8	14.2
Imports (million dollars)					
World-----	977	1,325	2,858	3,660	4,827
North America-----	625	794	1,640	2,009	2,711
United States-----	624	791	1,619	1,994	2,688
Mexico-----	1	3	17	11	15
Central America <u>1</u> /-----	0	0	1	0	1
Caribbean <u>2</u> /-----	0	1	2	4	7
European Economic Community--	177	242	501	566	672
Japan-----	72	115	155	280	333
South America-----	0	1	17	19	26
Other-----	102	172	544	786	1,085

See footnotes at end of table.

Table B-20.—SITC 8(Miscellaneous manufactured goods): Trade of Canada with selected countries and regions, specified years 1967 to 1979—Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	64.0	59.9	57.4	54.9	56.2
United States-----	63.9	59.7	56.7	54.5	55.7
Mexico-----	.1	.2	.6	.3	.3
Central America <u>1/</u> -----	.0	.0	.0	.0	.0
Caribbean <u>2/</u> -----	.0	.1	.1	.1	.2
European Economic Community--	18.1	18.3	17.5	15.5	13.9
Japan-----	7.3	8.7	5.4	7.6	6.9
South America-----	.0	.1	.6	.5	.5
Other-----	10.5	13.0	19.0	21.5	22.5
Trade balance (million dollars) <u>3/</u>					
World-----	-856	-1,046	-2,334	-2,991	-3,438
North America-----	-544	-574	-1,270	-1,515	-1,759
United States-----	-550	-584	-1,265	-1,519	-1,782
Mexico-----	0	-2	-16	-9	-8
Central America <u>1/</u> -----	0	1	0	4	10
Caribbean <u>2/</u> -----	5	11	11	10	21
European Economic Community--	-157	-214	-420	-477	-477
Japan-----	-71	-112	-147	-271	-308
South America-----	2	1	-13	-15	-7
Other-----	-87	-147	-485	-713	-888

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-21.--SITC 9(Goods not classified by kind): Trade of Canada with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	82	98	100	85	173
North America-----	74	81	86	71	142
United States-----	73	77	81	68	139
Mexico-----	0	0	0	0	0
Central America <u>1</u> /-----	0	0	0	0	2
Caribbean <u>2</u> /-----	1	3	5	3	1
European Economic Community--	3	13	4	4	3
Japan-----	0	0	0	0	0
South America-----	1	1	1	0	2
Other-----	5	3	9	10	26
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	89.3	82.7	85.8	84.0	82.2
United States-----	88.3	79.3	80.7	80.6	80.4
Mexico-----	.0	.1	.2	.1	.0
Central America <u>1</u> /-----	.1	.3	.3	.1	1.2
Caribbean <u>2</u> /-----	.8	3.0	4.5	3.3	.5
European Economic Community--	3.9	12.9	3.6	4.1	1.5
Japan-----	.0	.1	.3	.1	.1
South America-----	.8	.9	1.4	.2	1.3
Other-----	5.7	3.3	8.9	11.6	14.9
Imports (million dollars)					
World-----	263	178	354	427	691
North America-----	230	134	292	276	395
United States-----	229	132	288	272	390
Mexico-----	0	0	0	1	2
Central America <u>1</u> /-----	0	0	2	1	0
Caribbean <u>2</u> /-----	1	1	2	2	2
European Economic Community--	20	26	36	78	198
Japan-----	3	5	5	23	14
South America-----	1	1	2	2	7
Other-----	8	12	20	49	77

See footnotes at end of table.

Table B-21.--SITC 9(Goods not classified by kind): Trade of Canada with selected countries and regions, specified years 1967 to 1979-Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	87.7	75.6	82.3	64.5	57.2
United States-----	87.2	74.6	81.2	63.6	56.5
Mexico-----	.1	.2	.1	.2	.2
Central America <u>1/</u> -----	.0	.1	.4	.2	.0
Caribbean <u>2/</u> -----	.3	.6	.5	.5	.4
European Economic Community--	7.6	14.4	10.1	18.3	28.7
Japan-----	1.3	2.5	1.4	5.3	2.0
South America-----	.4	.6	.6	.6	1.0
Other-----	3.0	6.9	5.6	11.4	11.2
Trade balance (million dollars) <u>3/</u>					
World-----	-180	-80	-254	-342	-517
North America-----	-157	-54	-205	-204	-252
United States-----	-156	-55	-207	-203	-251
Mexico-----	0	0	0	-1	-2
Central America <u>1/</u> -----	0	0	-1	-1	2
Caribbean <u>2/</u> -----	0	2	3	1	-2
European Economic Community--	-17	-13	-32	-75	-195
Japan-----	-3	-4	-5	-22	-13
South America-----	0	0	-1	-2	-5
Other-----	-3	-9	-11	-39	-52

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-22.--Total trade of Canada with selected countries and regions, specified years 1967 to 1979

Source or destination	1967	1970	1975	1977	1979
Exports (million dollars)					
World-----	10,555	16,185	32,300	41,293	55,117
North America-----	6,954	10,844	21,693	29,106	38,169
United States-----	6,799	10,578	21,232	28,637	37,493
Mexico-----	47	92	218	201	201
Central America <u>1</u> /-----	19	27	62	77	110
Caribbean <u>2</u> /-----	89	148	180	191	365
European Economic Community--	1,757	2,626	4,031	4,331	5,992
Japan-----	531	763	2,084	2,346	3,455
South America-----	219	359	741	1,050	1,430
Other-----	1,094	1,594	3,752	4,460	6,071
Percent of total exports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	65.9	67.0	67.2	70.5	69.3
United States-----	64.4	65.4	65.7	69.4	68.0
Mexico-----	.4	.6	.7	.5	.4
Central America <u>1</u> /-----	.2	.2	.2	.2	.2
Caribbean <u>2</u> /-----	.8	.9	.6	.5	.7
European Economic Community--	16.6	16.2	12.5	10.5	10.9
Japan-----	5.0	4.7	6.5	5.7	6.3
South America-----	2.1	2.2	2.3	2.5	2.6
Other-----	10.4	9.8	11.6	10.8	11.0
Imports (million dollars)					
World-----	10,250	13,348	33,954	39,485	52,622
North America-----	7,600	9,681	23,403	28,271	38,376
United States-----	7,426	9,492	23,114	27,797	37,945
Mexico-----	27	45	94	182	178
Central America <u>1</u> /-----	37	45	70	98	120
Caribbean <u>2</u> /-----	110	99	126	195	134
European Economic Community--	1,236	1,519	3,230	3,420	4,764
Japan-----	282	557	1,184	1,695	1,842
South America-----	349	457	1,370	1,715	1,899
Other-----	783	1,134	4,766	4,384	5,741

See footnotes at end of table.

Table B-22.—Total trade of Canada with selected countries and regions,  
specified years 1967 to 1979—Continued

Source or destination	1967	1970	1975	1977	1979
Percent of total imports					
World-----	100.0	100.0	100.0	100.0	100.0
North America-----	74.1	72.5	68.9	71.6	72.9
United States-----	72.4	71.1	68.1	70.4	72.1
Mexico-----	.3	.3	.3	.5	.3
Central America <u>1/</u> -----	.4	.3	.2	.2	.2
Caribbean <u>2/</u> -----	1.1	.7	.4	.5	.3
European Economic Community--	12.1	11.4	9.5	8.7	9.1
Japan-----	2.8	4.2	3.5	4.3	3.5
South America-----	3.4	3.4	4.0	4.3	3.6
Other-----	7.6	8.5	14.0	11.1	10.9
Trade balance (million dollars) <u>3/</u>					
World-----	305	2,836	-1,654	1,808	2,495
North America-----	-646	1,163	-1,711	835	-207
United States-----	-627	1,086	-1,882	841	-451
Mexico-----	20	46	125	19	23
Central America <u>1/</u> -----	-18	-18	-8	-21	-10
Caribbean <u>2/</u> -----	-20	49	54	-4	231
European Economic Community--	521	1,106	801	911	1,227
Japan-----	249	206	900	651	1,613
South America-----	-130	-98	-629	-665	-469
Other-----	311	459	-1,014	76	331

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-23.--SITC 0(Food & live animals): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	459	458	860	1,338
North America-----	328	421	728	1,074
United States-----	325	417	720	1,058
Canada-----	1	3	3	9
Central America <u>1</u> /-----	2	1	4	3
Caribbean <u>2</u> /-----	0	0	0	4
European Economic Community--	52	13	52	89
Japan-----	10	4	17	14
South America-----	4	3	13	29
Other-----	64	17	50	132
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	71.5	91.9	84.7	80.3
United States-----	70.9	91.1	83.8	79.1
Canada-----	.2	.7	.3	.6
Central America <u>1</u> /-----	.4	.1	.5	.2
Caribbean <u>3</u> /-----	.0	.0	.0	.3
European Economic Community--	11.2	2.8	6.1	6.6
Japan-----	2.2	.9	2.0	1.0
South America-----	.9	.7	1.5	2.2
Other-----	14.0	3.7	5.8	9.9
Imports (million dollars)				
World-----	61	142	782	477
North America-----	36	85	437	376
United States-----	33	79	426	352
Canada-----	3	5	11	23
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>3</u> /-----	0	0	0	0
European Economic Community--	11	9	13	21
Japan-----	0	0	0	0
South America-----	8	15	224	31
Other-----	5	33	108	49

See footnotes at end of table.



Table B-23.--SITC 0(Food & live animals): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	59.5	59.8	55.8	78.8
United States-----	54.0	55.9	54.4	73.9
Canada-----	5.5	3.5	1.4	4.9
Central America <u>1/</u> -----	.0	.2	.0	.0
Caribbean <u>2/</u> -----	.0	.1	.0	.0
European Economic Community--	18.1	6.1	1.7	4.3
Japan-----	.3	.1	.0	.0
South America-----	13.2	10.9	28.6	6.5
Other-----	8.9	23.1	13.8	10.4
Trade balance (million dollars) <u>3/</u>				
World-----	398	316	77	861
North America-----	292	336	291	699
United States-----	293	338	295	706
Canada-----	-3	-2	-8	-15
Central America <u>1/</u> -----	2	0	4	3
Caribbean <u>2/</u> -----	0	0	0	4
European Economic Community--	41	4	39	68
Japan-----	10	4	17	13
South America-----	-4	-12	-211	-2
Other-----	59	-16	-58	83

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-24.--SITC 1(Beverages and tobacco): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	8	16	53	61
North America-----	5	7	41	54
United States-----	5	5	39	52
Canada-----	0	0	1	1
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>2</u> /-----	0	2	1	1
European Economic Community--	2	6	5	4
Japan-----	0	0	4	1
South America-----	0	0	0	0
Other-----	1	3	3	3
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	60.9	42.5	75.9	87.8
United States-----	54.9	31.3	72.5	84.1
Canada-----	.7	.6	1.6	2.0
Central America <u>1</u> /-----	.5	1.0	.1	.3
Caribbean <u>2</u> /-----	4.8	9.7	1.7	1.5
European Economic Community--	27.3	40.4	9.4	5.8
Japan-----	.2	.1	8.4	1.5
South America-----	4.0	1.0	.2	.1
Other-----	7.0	16.1	6.1	4.9
Imports (million dollars)				
World-----	6	5	25	21
North America-----	2	1	3	3
United States-----	2	1	3	3
Canada-----	0	0	0	0
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	0
European Economic Community--	3	3	17	13
Japan-----	0	0	0	0
South America-----	0	0	0	0
Other-----	0	1	5	4

See footnotes at end of table.

Table B-24.--SITC 1(Beverages and tobacco): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	38.0	22.5	11.6	16.0
United States-----	36.2	20.0	10.9	15.7
Canada-----	1.5	2.3	.7	.3
Central America <u>1</u> /-----	.0	.1	.0	.0
Caribbean <u>2</u> /-----	.3	.0	.0	.0
European Economic Community--	58.1	58.5	68.2	63.2
Japan-----	.6	.7	.3	.2
South America-----	1.9	1.5	1.2	1.3
Other-----	1.0	16.9	18.7	19.2
Trade balance (million dollars) <u>3</u> /				
World-----	3	11	29	41
North America-----	3	6	38	50
United States-----	3	4	36	48
Canada-----	0	0	1	1
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>2</u> /-----	0	2	1	1
European Economic Community--	-1	3	-12	-9
Japan-----	0	0	4	1
South America-----	0	0	0	0
Other-----	1	2	-1	-1

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-25.--SITC 2(Crude materials excluding fuels): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	235	208	398	411
North America-----	124	113	202	183
United States-----	110	108	188	164
Canada-----	4	4	12	10
Central America <u>1</u> /-----	1	1	2	3
Caribbean <u>2</u> /-----	8	0	0	6
European Economic Community--	31	17	37	55
Japan-----	53	55	94	102
South America-----	8	8	17	15
Other-----	19	15	48	55
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	52.5	54.4	50.7	44.5
United States-----	46.7	52.0	47.2	40.0
Canada-----	1.7	1.9	3.1	2.4
Central America <u>1</u> /-----	.6	.4	.4	.8
Caribbean <u>2</u> /-----	3.5	.1	.0	1.4
European Economic Community--	13.3	8.4	9.3	13.5
Japan-----	22.7	26.3	23.6	24.9
South America-----	3.4	3.7	4.2	3.6
Other-----	8.1	7.3	12.2	13.5
Imports (million dollars)				
World-----	154	213	446	546
North America-----	110	172	351	391
United States-----	99	157	319	353
Canada-----	9	13	24	26
Central America <u>1</u> /-----	1	2	8	12
Caribbean <u>2</u> /-----	1	0	0	0
European Economic Community--	5	6	17	14
Japan-----	3	1	1	1
South America-----	9	11	11	60
Other-----	27	24	66	79

See footnotes at end of table.

Table B-25.--SITC 2(Crude materials excluding fuels): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	71.2	80.5	78.8	71.7
United States-----	64.4	73.6	71.6	64.7
Canada-----	5.7	5.9	5.5	4.8
Central America <u>1</u> /-----	.5	1.1	1.8	2.2
Caribbean <u>2</u> /-----	.6	.0	.0	.0
European Economic Community--	3.0	3.0	3.7	2.6
Japan-----	2.0	.3	.2	.3
South America-----	6.1	5.1	2.4	10.9
Other-----	17.7	11.1	14.8	14.4
Trade balance (million dollars) <u>3</u> /				
World-----	81	-6	-48	-135
North America-----	14	-59	-149	-209
United States-----	10	-49	-131	-189
Canada-----	-5	-9	-12	-17
Central America <u>1</u> /-----	1	-1	-6	-9
Caribbean <u>2</u> /-----	7	0	0	6
European Economic Community--	27	11	20	41
Japan-----	50	54	93	101
South America-----	-1	-3	6	-45
Other-----	-8	-9	-18	-23

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-26.--SITC 3(Mineral fuels, etc.): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	39	38	463	917
North America-----	39	38	408	834
United States-----	39	37	365	824
Canada-----	0	0	0	0
Central America <u>1</u> /-----	0	0	0	1
Caribbean <u>2</u> /-----	0	0	43	9
European Economic Community--	0	0	4	0
Japan-----	0	0	1	0
South America-----	0	0	5	2
Other-----	0	0	45	81
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	99.5	98.2	88.2	90.9
United States-----	99.4	96.5	78.9	89.9
Canada-----	.0	1.0	.0	.0
Central America <u>1</u> /-----	.1	.2	.1	.1
Caribbean <u>2</u> /-----	.0	.5	9.2	1.0
European Economic Community--	.0	.2	.9	.0
Japan-----	.1	.1	.2	.0
South America-----	.0	.5	1.1	.2
Other-----	.2	1.0	9.6	8.8
Imports (million dollars)				
World-----	57	78	361	166
North America-----	56	74	249	136
United States-----	53	62	178	113
Canada-----	0	0	11	0
Central America <u>1</u> /-----	0	1	0	4
Caribbean <u>2</u> /-----	3	10	60	19
European Economic Community--	0	0	10	6
Japan-----	0	0	0	1
South America-----	0	3	51	13
Other-----	0	0	50	10

See footnotes at end of table.

Table B-26.--SITC 3(Mineral fuels, etc.): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	99.3	94.8	69.0	82.0
United States-----	93.2	80.4	49.3	68.1
Canada-----	.0	.0	2.9	.3
Central America <u>1/</u> -----	.0	1.8	.0	2.1
Caribbean <u>2/</u> -----	6.1	12.6	16.7	11.5
European Economic Community--	.4	.5	2.8	3.7
Japan-----	.1	.1	.1	.5
South America-----	.0	4.2	14.1	7.5
Other-----	.1	.4	14.0	6.3
Trade balance (million dollars) <u>3/</u>				
World-----	-17	-39	102	751
North America-----	-17	-36	159	698
United States-----	-14	-25	187	711
Canada-----	0	0	-11	0
Central America <u>1/</u> -----	0	-1	0	-3
Caribbean <u>2/</u> -----	-3	-10	-18	-10
European Economic Community--	0	0	-6	-6
Japan-----	0	0	1	-1
South America-----	0	-3	-46	-11
Other-----	0	0	-6	70

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-27.--SITC 4(Animal &amp; vegetable oils &amp; fats): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	2	2	2	6
North America-----	2	1	1	4
United States-----	2	1	1	4
Canada-----	0	0	0	0
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	0
European Economic Community--	0	0	0	1
Japan-----	0	0	0	0
South America-----	0	0	0	0
Other-----	0	0	0	0
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	72.6	75.3	58.9	68.7
United States-----	72.6	73.5	57.6	68.3
Canada-----	.0	.0	.0	.0
Central America <u>1</u> /-----	.0	1.3	1.0	.3
Caribbean <u>2</u> /-----	.0	.5	.3	.1
European Economic Community--	19.8	17.4	17.8	17.4
Japan-----	1.0	.9	1.1	1.9
South America-----	1.8	3.0	14.9	5.5
Other-----	3.1	3.5	7.3	6.4
Imports (million dollars)				
World-----	4	16	35	38
North America-----	3	11	31	32
United States-----	3	11	31	32
Canada-----	0	0	0	0
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	0
European Economic Community--	0	2	1	1
Japan-----	0	0	0	0
South America-----	1	2	2	3
Other-----	0	0	1	2

See footnotes at end of table.



Table B-27.--SITC 4(Animal &amp; vegetable oils &amp; fats): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	65.5	71.4	87.8	84.8
United States-----	65.5	71.4	87.4	84.8
Canada-----	.0	.0	.0	.0
Central America <u>1</u> /-----	.0	.0	.3	.0
Caribbean <u>2</u> /-----	.0	.0	.0	.0
European Economic Community--	3.4	12.2	2.1	1.8
Japan-----	.0	.0	.3	.4
South America-----	22.3	13.9	6.9	8.4
Other-----	8.0	2.5	2.9	4.6
Trade balance (million dollars) <u>3</u> /				
World-----	-2	-14	-33	-32
North America-----	-1	-10	-29	-28
United States-----	-1	-10	-29	-28
Canada-----	0	0	0	0
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	0
European Economic Community--	0	-2	0	0
Japan-----	0	0	0	0
South America-----	-1	-2	-2	-3
Other-----	0	0	-1	-1

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-28.--SITC 5(Chemicals): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	67	98	222	272
North America-----	41	44	107	143
United States-----	30	32	65	111
Canada-----	1	1	1	1
Central America <u>1</u> /-----	10	10	36	26
Caribbean <u>2</u> /-----	1	1	4	5
European Economic Community--	10	22	35	34
Japan-----	0	4	2	2
South America-----	15	22	58	78
Other-----	1	7	19	15
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	61.7	44.7	48.2	52.6
United States-----	44.4	32.6	29.4	40.8
Canada-----	1.0	.9	.5	.5
Central America <u>1</u> /-----	15.2	10.3	16.3	9.6
Caribbean <u>2</u> /-----	1.2	.9	2.0	1.7
European Economic Community--	14.7	22.4	16.0	12.3
Japan-----	.3	3.8	.8	.8
South America-----	21.8	22.4	26.3	28.8
Other-----	1.3	6.7	8.7	5.6
Imports (million dollars)				
World-----	241	302	800	844
North America-----	162	193	514	530
United States-----	154	184	496	508
Canada-----	3	3	4	5
Central America <u>1</u> /-----	3	6	12	11
Caribbean <u>2</u> /-----	3	1	2	5
European Economic Community--	54	74	146	162
Japan-----	7	7	36	24
South America-----	6	9	29	32
Other-----	12	18	75	96

See footnotes at end of table.

Table B-28.--SITC 5(Chemicals): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	67.4	64.0	64.3	62.8
United States-----	63.9	61.0	61.9	60.2
Canada-----	1.1	.9	.5	.6
Central America <u>1/</u> -----	1.2	1.9	1.5	1.3
Caribbean <u>2/</u> -----	1.2	.3	.3	.6
European Economic Community--	22.3	24.6	18.3	19.2
Japan-----	3.0	2.4	4.5	2.8
South America-----	2.6	3.0	3.6	3.8
Other-----	4.8	6.0	9.4	11.4
Trade balance (million dollars) <u>3/</u>				
World-----	-174	-204	-578	-572
North America-----	-121	-149	-407	-386
United States-----	-124	-152	-430	-397
Canada-----	-2	-2	-3	-4
Central America <u>1/</u> -----	7	4	24	15
Caribbean <u>2/</u> -----	-2	0	2	-1
European Economic Community--	-44	-52	-111	-129
Japan-----	-7	-3	-34	-21
South America-----	9	13	30	46
Other-----	-11	-12	-56	-81

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-29.--SITC 6(Basic manufactures): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	159	197	441	745
North America-----	96	124	252	487
United States-----	89	111	218	418
Canada-----	1	2	8	14
Central America <u>1</u> /-----	5	9	22	48
Caribbean <u>2</u> /-----	0	2	5	7
European Economic Community--	31	27	87	94
Japan-----	4	6	9	9
South America-----	12	23	62	111
Other-----	16	18	31	45
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	60.0	62.7	57.3	65.3
United States-----	55.7	56.3	49.5	56.1
Canada-----	.8	1.0	1.8	1.8
Central America <u>1</u> /-----	3.2	4.4	5.0	6.5
Caribbean <u>2</u> /-----	.3	1.1	1.0	1.0
European Economic Community--	19.3	13.4	19.7	12.7
Japan-----	2.8	3.1	2.1	1.1
South America-----	7.6	11.7	14.0	14.9
Other-----	10.3	9.0	6.9	6.0
Imports (million dollars)				
World-----	217	288	842	680
North America-----	146	199	460	384
United States-----	129	179	415	332
Canada-----	16	19	45	52
Central America <u>1</u> /-----	1	1	0	0
Caribbean <u>2</u> /-----	0	0	0	0
European Economic Community--	35	40	147	95
Japan-----	9	18	86	69
South America-----	9	8	13	11
Other-----	18	23	136	121

See footnotes at end of table.

Table B-29.--SITC 6(Basic manufactures): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	67.2	69.1	54.7	56.6
United States-----	59.6	62.2	49.3	48.8
Canada-----	7.3	6.4	5.3	7.7
Central America <u>1/</u> -----	.3	.5	.0	.1
Caribbean <u>2/</u> -----	.0	.0	.0	.0
European Economic Community--	16.2	13.9	17.4	14.0
Japan-----	4.3	6.1	10.2	10.2
South America-----	4.1	2.9	1.5	1.6
Other-----	8.2	8.0	16.2	17.8
Trade balance (million dollars) <u>3/</u>				
World-----	-57	-91	-401	65
North America-----	-50	-76	-207	102
United States-----	-40	-68	-197	86
Canada-----	-15	-17	-37	-39
Central America <u>1/</u> -----	4	7	22	48
Caribbean <u>2/</u> -----	0	2	4	7
European Economic Community--	-4	-13	-60	-1
Japan-----	-5	-11	-77	-61
South America-----	3	15	49	100
Other-----	-1	-5	-106	-76

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-30.--SITC 7(Machines &amp; transportation equip.): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	23	128	279	248
North America-----	12	102	141	128
United States-----	10	97	113	90
Canada-----	0	0	5	3
Central America <u>1</u> /-----	2	4	20	31
Caribbean <u>2</u> /-----	0	0	2	3
European Economic Community--	1	3	32	9
Japan-----	0	0	3	1
South America-----	9	23	76	91
Other-----	1	1	28	19
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	52.3	79.5	50.4	51.4
United States-----	42.5	76.1	40.6	36.4
Canada-----	.3	.3	1.8	1.3
Central America <u>1</u> /-----	8.7	2.9	7.3	12.6
Caribbean <u>2</u> /-----	.7	.1	.7	1.0
European Economic Community--	4.6	2.2	11.3	3.7
Japan-----	.3	.0	1.1	.5
South America-----	38.1	17.7	27.1	36.9
Other-----	4.3	.6	10.0	7.6
Imports (million dollars)				
World-----	901	1,235	2,982	2,530
North America-----	567	786	1,860	1,467
United States-----	562	775	1,812	1,404
Canada-----	5	10	47	58
Central America <u>1</u> /-----	0	1	1	4
Caribbean <u>2</u> /-----	0	0	0	1
European Economic Community--	222	303	662	487
Japan-----	49	50	153	190
South America-----	4	11	63	84
Other-----	58	86	245	303

See footnotes at end of table.

Table B-30.--SITC 7(Machines & transportation equip.): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	63.0	63.6	62.3	58.0
United States-----	62.3	62.7	60.8	55.5
Canada-----	.6	.8	1.6	2.3
Central America <u>1/</u> -----	.0	.1	.0	.2
Caribbean <u>2/</u> -----	.0	.0	.0	.0
European Economic Community--	24.7	24.5	22.2	19.2
Japan-----	5.5	4.0	5.1	7.5
South America-----	.4	.9	2.1	3.3
Other-----	6.5	6.9	8.2	12.0
Trade balance (million dollars) <u>3/</u>				
World-----	-878	-1,107	-2,703	-2,282
North America-----	-555	-684	-1,719	-1,339
United States-----	-552	-677	-1,699	-1,314
Canada-----	-5	-10	-41	-54
Central America <u>1/</u> -----	2	3	19	27
Caribbean <u>2/</u> -----	0	0	2	2
European Economic Community--	-221	-300	-631	-478
Japan-----	-49	-50	-150	-188
South America-----	5	12	13	8
Other-----	-57	-85	-217	-284

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-31.--SITC 8(Miscellaneous manufactured goods): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	30	59	141	186
North America-----	19	42	86	108
United States-----	15	37	60	85
Canada-----	1	1	14	7
Central America <u>1</u> /-----	4	3	11	14
Caribbean <u>2</u> /-----	0	0	2	2
European Economic Community--	1	1	10	15
Japan-----	0	0	1	1
South America-----	9	14	38	54
Other-----	1	2	6	8
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	63.0	71.2	60.8	57.8
United States-----	48.5	63.1	42.2	45.5
Canada-----	1.9	1.8	9.6	3.9
Central America <u>1</u> /-----	11.7	5.7	7.9	7.5
Caribbean <u>2</u> /-----	.9	.7	1.1	1.0
European Economic Community--	1.8	1.5	7.3	8.1
Japan-----	.4	.4	.6	.6
South America-----	30.3	23.9	26.7	29.0
Other-----	4.2	3.0	4.6	4.5
Imports (million dollars)				
World-----	105	180	293	286
North America-----	67	121	123	106
United States-----	65	118	119	101
Canada-----	0	0	1	2
Central America <u>1</u> /-----	2	3	3	3
Caribbean <u>2</u> /-----	0	0	0	0
European Economic Community--	17	23	42	39
Japan-----	6	11	15	20
South America-----	1	4	13	24
Other-----	13	21	100	98

See footnotes at end of table.



Table B-31.--SITC 8(Miscellaneous manufactured goods): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	64.1	67.4	41.9	37.0
United States-----	61.9	65.5	40.5	35.2
Canada-----	.2	.3	.4	.7
Central America <u>1/</u> -----	2.0	1.6	1.0	1.1
Caribbean <u>2/</u> -----	.0	.0	.0	.0
European Economic Community--	15.9	12.9	14.2	13.7
Japan-----	5.8	6.0	5.3	6.9
South America-----	1.3	2.1	4.4	8.3
Other-----	12.8	11.6	34.1	34.1
Trade balance (million dollars) <u>3/</u>				
World-----	-75	-121	-152	-100
North America-----	-48	-79	-37	2
United States-----	-50	-81	-59	-16
Canada-----	0	1	12	5
Central America <u>1/</u> -----	1	0	8	11
Caribbean <u>2/</u> -----	0	0	1	2
European Economic Community--	-16	-22	-31	-24
Japan-----	-6	-11	-15	-19
South America-----	8	10	25	30
Other-----	-12	-19	-93	-89

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-32.--SITC 9(Goods not classified by kind): Trade of Mexico  
with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	1	1	2	4
North America-----	1	1	1	2
United States-----	1	0	1	2
Canada-----	0	0	0	0
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	0
European Economic Community--	0	0	0	0
Japan-----	0	0	0	0
South America-----	0	0	0	1
Other-----	0	0	0	0
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	81.3	71.4	50.4	57.1
United States-----	68.9	44.7	42.9	53.2
Canada-----	.0	10.5	.4	.4
Central America <u>1</u> /-----	8.9	15.9	7.2	2.2
Caribbean <u>2</u> /-----	3.5	.3	.0	1.2
European Economic Community--	7.7	16.7	14.8	11.9
Japan-----	.0	.7	.3	.1
South America-----	6.0	8.8	16.9	18.8
Other-----	.0	2.4	17.7	12.0
Imports (million dollars)				
World-----	1	2	4	2
North America-----	0	0	1	1
United States-----	0	0	1	1
Canada-----	0	0	0	0
Central America <u>1</u> /-----	0	0	0	0
Caribbean <u>2</u> /-----	0	0	0	0
European Economic Community--	0	1	0	2
Japan-----	0	0	0	0
South America-----	0	0	0	0
Other-----	0	0	3	0

See footnotes at end of table.

Table B-32.--SITC 9(Goods not classified by kind): Trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	39.1	12.4	16.4	27.2
United States-----	31.1	12.3	16.4	27.2
Canada-----	8.0	.1	.0	.0
Central America <u>1/</u> -----	.0	.0	.0	.0
Caribbean <u>2/</u> -----	.0	.0	.0	.0
European Economic Community--	12.3	82.9	10.7	72.6
Japan-----	.0	.1	.0	.0
South America-----	2.3	2.9	.4	.0
Other-----	44.0	1.8	72.5	.1
Trade balance (million dollars) <u>3/</u>				
World-----	1	-1	-2	2
North America-----	1	0	0	2
United States-----	1	0	0	1
Canada-----	0	0	0	0
Central America <u>1/</u> -----	0	0	0	0
Caribbean <u>2/</u> -----	0	0	0	0
European Economic Community--	0	-1	0	-1
Japan-----	0	0	0	0
South America-----	0	0	0	1
Other-----	0	0	-3	0

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.

Table B-33.--Total trade of Mexico with selected countries and regions, specified years 1967 to 1977

Source or destination	1967	1970	1975	1977
Exports (million dollars)				
World-----	1,026	1,205	2,861	4,188
North America-----	667	892	1,967	3,016
United States-----	625	847	1,770	2,808
Canada-----	7	12	44	45
Central America <u>1</u> /-----	24	28	96	127
Caribbean <u>2</u> /-----	10	6	56	35
European Economic Community--	128	89	263	301
Japan-----	69	69	131	130
South America-----	57	93	269	382
Other-----	104	62	231	359
Percent of total exports				
World-----	100.0	100.0	100.0	100.0
North America-----	65.0	74.0	68.7	72.0
United States-----	60.9	70.3	61.9	67.0
Canada-----	.7	1.0	1.5	1.1
Central America <u>1</u> /-----	2.4	2.3	3.4	3.0
Caribbean <u>2</u> /-----	1.0	.5	2.0	.8
European Economic Community--	12.5	7.4	9.2	7.2
Japan-----	6.7	5.7	4.6	3.1
South America-----	5.6	7.7	9.4	9.1
Other-----	10.1	5.1	8.1	8.6
Imports (million dollars)				
World-----	1,746	2,461	6,570	5,589
North America-----	1,150	1,643	4,028	3,425
United States-----	1,100	1,567	3,798	3,199
Canada-----	36	49	143	167
Central America <u>1</u> /-----	7	15	24	34
Caribbean <u>2</u> /-----	7	11	63	25
European Economic Community--	347	462	1,055	840
Japan-----	75	86	292	305
South America-----	39	64	406	257
Other-----	135	206	789	762

See footnotes at end of table.

Table B-33.--Total trade of Mexico with selected countries and regions, specified years 1967 to 1977--Continued

Source or destination	1967	1970	1975	1977
Percent of total imports				
World-----	100.0	100.0	100.0	100.0
North America-----	65.9	66.8	61.3	61.3
United States-----	63.0	63.7	57.8	57.2
Canada-----	2.1	2.0	2.2	3.0
Central America <u>1/</u> -----	.4	.6	.4	.6
Caribbean <u>2/</u> -----	.4	.4	1.0	.4
European Economic Community--	19.9	18.8	16.1	15.0
Japan-----	4.3	3.5	4.4	5.5
South America-----	2.2	2.6	6.2	4.6
Other-----	7.7	8.4	12.0	13.6
Trade balance (million dollars) <u>3/</u>				
World-----	-720	-1,255	-3,709	-1,401
North America-----	-483	-750	-2,061	-410
United States-----	-475	-721	-2,027	-392
Canada-----	-29	-37	-99	-122
Central America <u>1/</u> -----	18	13	72	93
Caribbean <u>2/</u> -----	3	-5	-6	10
European Economic Community--	-219	-373	-792	-539
Japan-----	-7	-17	-161	-175
South America-----	19	29	-137	125
Other-----	-31	-144	-559	-403

1/ Belize, Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama.

2/ Bahamas, Barbados, Dominican Republic, Guadeloupe, Haiti, Jamaica, Martinique, Netherlands Antilles, Trinidad and Tobago, Antigua, Bermuda, British Virgin Islands, Cayman Islands, Dominica, Grenada, St. Kitts-Nevis-Anguilla, St. Lucia, St. Vincent, Turks and Caicos Islands.

3/ Domestic and foreign exports (re-exports), less imports.

Source: Compiled from official statistics of the United Nations.





