

Table 3: Provincial Origin of Exports to the US by Mode of Transport, 2002

	Provincial share of Canadian Exports to the US, \$		
	Road	Rail	Other
Newfoundland and Labrador	0.3%	0.0%	4.9%
Prince Edward Is.	0.3%	0.0%	0.1%
Nova Scotia	1.3%	0.9%	1.8%
New Brunswick	1.4%	1.3%	5.0%
Quebec	19.2%	11.7%	14.3%
Ontario	64.4%	67.9%	20.3%
Manitoba	2.6%	1.7%	1.8%
Saskatchewan	1.1%	2.8%	3.7%
Alberta	4.0%	6.2%	42.6%
British Columbia	5.6%	7.3%	5.4%
Northern Territories	0.0%	0.0%	0.0%

New Brunswick as their primary out-of-province point of clearance, followed by Ontario – i.e. Quebec played a limited role as a point of clearance for exports to the US from the Atlantic provinces in 2002. As much as 43.5% of Quebec exports to the US in 2002 were cleared through Ontario in 2002. Although Manitoba cleared over 70% of its exports to the US in the province in 2002 it also relied on Ontario to clear 19.9% of its US exports and on BC to clear 4.3%. Both Saskatchewan and Alberta have a fairly wide geographic spread of clearing their exports to the US, which incorporates Ontario, the Prairies and BC. Transportation of fossil based energy exports (oil and gas) from Saskatchewan and Alberta by pipeline, which largely enters the US in other provinces, is a major factor contributing to the wide geographic dispersion of province of clearance for exports originating from Alberta and Saskatchewan. Based on US data for imports from Canada by province¹ for goods transported by surface freight, which includes pipelines, Alberta accounted for 84.7% of US imports from Canada transported by pipeline in 2001 while US imports of energy products originating in Alberta accounted for 72.6% of total US imports from Alberta the same year. As noted, BC clears over 70% of its export production within the province, but also relied on Ontario to clear 12.1% and Saskatchewan to clear 8.8% of provincially-produced goods last year.

Provincial Exports to the US by Mode of Transport

As alluded to earlier, differences between provincial exports by Province of Origin and by Province of Clearance might be affected by the method, or mode, of transport (MoT) across the border. Table 3 shows exports to the US by Province of Origin for three types of transport – road, rail, and all other types of transportation (including air, sea, pipeline, and mail) – for last year. Exports to the US transported by road or

rail in 2002 exhibit a similar pattern in respect of provincial origin; Ontario has an overwhelming lead accounting for about two thirds of the value of all shipments, followed by Quebec, BC and Alberta. However, for Other MoT, energy exports by pipeline plays an exceedingly important role and Alberta accounted for as much as 42.6% in 2002. Shipments to the US from Ontario and Quebec by Other MoT predominantly reflect exports to the US by air.

Canadian Exports to the US by Port of Clearance

With the bulk of merchandise exports crossing from Ontario, it comes as no surprise that the three customs stations that handle the most exports are all situated in this province (Table 4). The three border crossings – Windsor's Ambassador Bridge, Sarnia, and Fort Erie – accounted for almost \$191 billion of bilateral goods exports, or just under one-half of total Canadian exports to the US in 2002. That is, these three customs clearance stations processed nearly two-thirds of all exports transported by road, and nearly three quarters of all exports shipped by rail. However, they accounted for only about one-eighth of merchandise exports not sent by road or rail.

A few border crossings are dominated by exports shipped by road transportation in 2002: Lansdowne (ON) (100.0%), Philipsburg (QC) (87.0%), Lacolle (QC) (83.5%), the Ambassador

Bridge (ON) (76.7%), Pacific Highway (BC) (76.6%), and Fort Erie (ON) (74.5%). Rail dominated goods cleared at Fort Frances (ON) (87.2%) and accounted for about half the value of goods cleared through Sarnia (ON) and North Portal (SK) last year. Exports to the US by other modes of transportation are dominated by air shipments and the transfer of fossil fuels by pipeline. Pearson Airport in Toronto and Mirabel Airport outside of Montreal combined to account for about one-quarter of all exports to the US by other modes of transport. Pipeline shipments accounted for an overwhelming share of exports to the US through Monchy (99.7%) and Gretna (98.5%) last year. Significant amounts of energy exports were also cleared through Huntington (B.C.), Coutts (Alberta), and Emerson (Manitoba). However, Sarnia cleared the greatest value of energy exports to the US by pipeline in 2002, although the large values of exports by road and rail also cleared through Sarnia masks this fact.

When totaled, the 16 customs clearing posts listed in Table 4 collectively accounted for over 85% of the total value of merchandise exports to the US in 2002. They cleared 92.3% of the value of all goods shipped by road last year, as much as 96.1% of all exports to the US shipped by rail, and over 60% of all exports by other modes of transport.

Table 4: Canadian exports to the US by Port of Clearance, 2001

Rank	Port of Clearance	Province	All Mode of Transport			Of which Exported by		
			Exports \$ million	Share of Canadian Exports	Cumulative share	Road	Rail	Air, mail, sea & other pipeline,
1	Windsor - Ambassador Bridge	Ontario	\$76,995	19.4%	19.4%	76.7%	19.0%	4.3%
2	Sarnia	Ontario	\$63,778	16.1%	35.5%	44.2%	48.0%	7.7%
3	Fort Erie	Ontario	\$50,016	12.6%	48.1%	74.5%	23.1%	2.4%
4	Lacolle	Quebec	\$17,601	4.4%	52.6%	83.5%	6.4%	10.1%
5	Pacific Highway	British Columbia	\$12,347	3.1%	55.7%	76.6%	19.9%	3.6%
6	Lansdowne	Ontario	\$11,072	2.8%	58.5%	100.0%	0.0%	0.0%
7	Emerson	Manitoba	\$10,755	2.7%	61.2%	63.3%	15.5%	21.2%
8	Coutts	Alberta	\$9,519	2.4%	63.6%	63.0%	5.8%	31.2%
9	Toronto - Pearson Int. Airport	Ontario	\$9,024	2.3%	65.9%	0.0%	0.0%	100.0%
10	Montréal - Mirabel Int. Airpor	Quebec	\$7,733	2.0%	67.8%	0.0%	0.0%	100.0%
11	Fort Frances	Ontario	\$7,520	1.9%	69.7%	6.2%	87.2%	6.6%
12	North Portal	Saskatchewan	\$6,013	1.5%	71.3%	48.7%	48.0%	3.3%
13	Philipsburg	Quebec	\$5,136	1.3%	72.5%	87.0%	12.3%	0.8%
14	Huntington	British Columbia	\$4,473	1.1%	73.7%	34.2%	3.0%	62.8%
15	Monchy	Saskatchewan	\$3,799	1.0%	74.6%	0.3%	0.0%	99.7%
16	Gretna	Manitoba	\$3,461	0.9%	75.5%	1.5%	0.0%	98.5%
	All ports	CANADA	\$346,457	100.0%	100.0%	56.9%	21.9%	21.2%

¹ US Department of Transportation, Transportation Statistics from the Transborder Surface Trade Database

Canada, Sweden get one-stop export credit

Swedish companies that work with Canadian companies on either export transactions or projects in other markets will benefit from a new agreement between Export Development Canada (EDC) and its Swedish counterpart, the Swedish Export Credit Guarantee Board (EKN).

Under the terms of the agreement—which is the foundation for a formal

framework—EDC and EKN will reinsure each other in situations where either is providing insurance or guarantee support for a transaction involving goods and services supplied from both countries. Because exporters will only have to deal with one institution, the credit approval process will be both easier and faster for the exporter and the buyer, as well as reduce exporters' costs.

EKN is a government agency established in 1933 to promote Swedish

exports by issuing guarantees. EKN can cover political and commercial risks in connection with export transactions and political risks in connection with investments abroad.

EDC provides trade finance and risk management services to Canadian exporters and investors in up to 200 markets. Founded in 1944, EDC is a Crown corporation that operates as a commercial financial institution.

For more information, contact Jean Cardyn, Director, International Relations, EDC, tel.: (613) 598-2904, e-mail: jcardyn@edc.ca, Web site: www.edc.ca or www.ekn.se.

Survival Systems of Halifax catches a wave

At first glance, Albert Bohémier is the most unlikely of Maritime success stories. A self-described Franco-Manitoban "prairie duster", he became a helicopter pilot in the military, lived in various places across Canada and finally settled in Halifax. In 1982, looking at the expanding market for services in the offshore oil industry, he formed **Survival Systems**. His company struggled at first, but it is now one of the leaders in its field.

In 1995 and again in 2000, Bohémier's initiative was rewarded with the presentation of a **Canada Export Award**; the second award was presented in his adopted hometown of Halifax. He says it was a moment of enormous pride for the company: "Getting a Canada Export Award means a lot. It gave us greater confidence in ourselves, especially when DFAIT came to our plant for a special ceremony."

Survival Systems has two components: manufacturing and training services. It manufactures simulators that permit pilots to experience "ditching" (accident at sea) in various kinds of weather, and it also provides training and expertise on how to survive such marine accidents. The company grossed \$13 million last year, \$3 million of which was in Canada. It employs 15 people in manufacturing and 45 in training in Canada and 43 trainers abroad.

A natural promoter, Bohémier got Survival Systems into the news in April, when he convinced International Trade Minister Pierre Pettigrew to take a dunk in the company's testing tank. The photos of the dunked minister in the wet suit made the newspapers and drew even more attention to Bohémier's company.

"It helped us with our customers," says Bohémier, "and people felt that if Minister Pettigrew was willing to trust our product, it must be good." Bohémier is also involved in encouraging



Photo: Dan Callis

Minister for International Trade Pierre Pettigrew in the Modular Egress Training Simulator (METS™) at Survival Systems in Dartmouth, Nova Scotia.

other Francophone entrepreneurs as part of the National Committee for Canadian Francophonie Human Resources Development.

The **20th Canada Export Awards** will take place in Toronto on **November 24**, as part of the **Canadian Exporters Conference**, organized by Canadian Manufacturers and Exporters (www.cme-mec.ca).

For more information on the awards, contact Andrew Caddell, Team Canada Inc Trade Liaison Unit, DFAIT, tel.: (613) 944-0118, e-mail: andrew.caddell@dfait-maeci.gc.ca or check the Canada Export Awards Web site: www.infoexport.gc.ca/awards-prix/menu-e.htm.