

In 1986, Canada exported 3.2 million tons worth \$1.7 billion to the U.S. and imported 500,000 tons valued at \$400 million from the U.S.

The Canadian steel industry has major investments in the U.S., a factor which clearly distinguishes Canada from other U.S. steel suppliers.

The major producers own coal and iron ore mines in the U.S., i.e. 95 percent of Canadian coal and 40 percent of Canadian iron ore requirements for the steel industry are imported from the U.S.

- (i) Coal from West Virginia, Kentucky, Pennsylvania (1,400 employed; Rail moves 7.5 million tons annually to Ohio ports).
- (ii) Iron ore from Michigan and Minnesota (3,800 employed; 5.3 million tons).

A number of Canadian steel companies have U.S. subsidiaries. It is estimated that more than 12,000 U.S. workers are employed in plants owned by Canadian steel companies.

Canada is the largest market for U.S. steel exports with imports of steel from the U.S. annually averaging about 8 percent of the Canadian market and over one third of our total steel imports. There are no restrictions on U.S. trade into Canada.

Canadian primary steel producers import \$1.30 worth of equipment and materials from the U.S. for every dollar of their steel exports to the U.S.