
Geographic Distribution

Of the CDN \$400 million¹ of Canadian federal government procurement affected by the lower threshold under the Free Trade Agreement, \$355 million or 89 per cent was awarded to suppliers located in Canada. The remaining \$45 million (11 per cent) went to suppliers outside Canada. A provincial breakdown of the domestic share of the Canadian federal procurement market is presented in Table 5.4. The procurements that could have been opened to free trade competition in FY 1986–87 were acquired from every province and territory.

In the U.S. federal government market, out of the total free trade portion of US \$2,364 million, \$2,200 million or 93 per cent was awarded to suppliers located in the

United States and \$164 million (seven per cent) went to offshore suppliers. As in Canada, the chapter opens up contracts that were being purchased from suppliers located in all parts of the country. A complete listing is provided in Table 5.5.

Five states accounted for 38 per cent of the U.S. domestic government procurement market — California, New York, Maryland, Virginia and Massachusetts. In the 22 states that are adjacent to Canada, the U.S. government had purchased in the United States the equivalent of US \$1,014 million, or 46 per cent of the U.S. domestic market opened up by the Agreement.

¹ This estimate, as well as other calculations, was computed on the basis of the 1987 GATT threshold of CDN \$238,000 not on the more recent February 1988 threshold of CDN \$213,000.