

### *Key Initiatives*

It was in the midst of these changing trade circumstances that some important initiatives were taken that may deeply affect the patterns of international trade and economic evolution of Western Canada.

The first of these initiatives was the creation of the Winnport Logistics project. It intends to manage scheduled all-cargo services from Asia and Europe to Winnipeg, where cargo will be trans-shipped by truck, mainly into markets throughout Canada and along the Mid-Continent International Trade Corridor.

In its start-up phase in 1998, Kelowna Flightcraft and Winnport will be operating cargo services between Winnipeg and the Chinese cities of Nanjing and Shenzhen, under rights obtained by Canada in a bilateral agreement signed with the Chinese government. The Government of Canada and Province of Manitoba have been instrumental in Winnport's development to date, and in assisting in the early stages of proving the business concept on which the project is based. The federal government was particularly instrumental in establishing the bilateral air cargo agreement with China.

The Winnport project creates opportunities to build entirely new traffic volumes of foreign and domestic products through Manitoba and into the corridor. Moreover, it could enable Winnipeg to build on this presence of products to undertake product assembly and related value-added manufacturing prior to shipping the goods onward to US markets and beyond.

The Government of Canada has clearly stated its desire to do all it can within its jurisdiction to enable the corridor to become fully accessible for Winnport and other business ventures in Western Canada. The viability of Winnport relies on an efficient border crossing capability, on a strong highway infrastructure, and expanding business links among companies along the corridor. In its own way, the Winnport project demonstrates most vividly the fundamental concept and vision of what the corridor is meant to become.

The second of the major initiatives is the transition of the Hudson Bay railway system, grain export facilities and seaport at Churchill to short-line rail operators, OmniTRAX. For the preceding decade, that transportation route operated far below its capacity. However, with its new organization and investments to improve the infrastructure, it now offers a unique addition of a northern area to the reach of the Mid-Continent International Trade Corridor. This change of ownership brings with it an entrepreneurial approach to the renewal of imports and exports through Manitoba's northern port.

The federal government, along with the Province of Manitoba, has committed substantial funds during the past year for the upgrading of rail-related port and harbor facilities as part of its strategy of building the volume of shipping through this integrated rail and seaport facility, moving products into and out of the heartland of North America.

From the corridor gateway in Winnipeg, this rail and port system at Churchill provides the essential resupply function for the isolated northern communities along Hudson