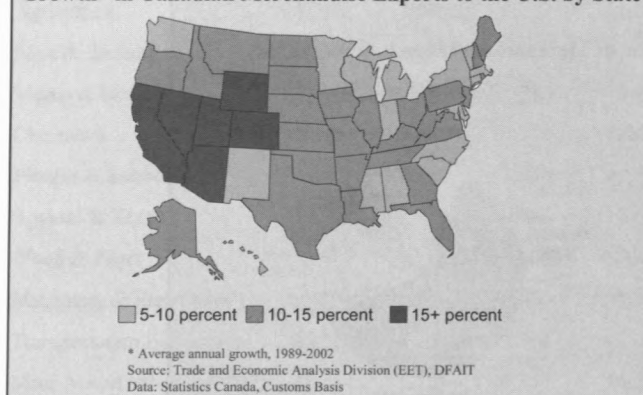


Table 2.2.2**Merchandise Trade, Canada-U.S., by Canadian Region**

	Millions of current dollars			CAGR*, %			Share of World, %		
	1989	1994	2002	1989-94	1994-02	1989-02	1989	1994	2002
Exports									
B.C. & Territories	7,480	13,188	20,564	12.01	5.71	8.09	40.75	54.46	66.70
Prairies	14,160	26,142	58,565	13.05	10.61	11.54	66.81	72.80	83.07
Ontario	58,204	103,887	193,308	12.28	8.07	9.67	85.47	90.21	93.51
Québec	17,030	33,574	57,344	14.54	6.92	9.79	71.69	81.73	83.99
Atlantic	4,717	6,512	16,677	6.66	12.47	10.20	64.64	69.92	83.51
Imports									
B.C. & Territories	6,000	9,355	11,868	9.29	3.02	5.39	43.13	51.30	37.61
Prairies	6,909	12,564	21,409	12.70	6.89	9.09	84.32	84.76	75.63
Ontario	62,493	98,839	162,857	9.60	6.44	7.65	76.01	75.95	72.54
Québec	11,136	14,488	19,130	5.40	3.53	4.25	45.03	44.64	37.24
Atlantic	1,565	2,100	2,889	6.06	4.07	4.83	25.50	29.63	22.72

* Compound annual growth rate
Source: Statistics Canada, Customs Basis

Figure 2.2.9**Growth* in Canadian Merchandise Exports to the U.S. by State**

Canada has strong trade linkages with many of the U.S. border states, traditionally the heartland of U.S. manufacturing. Over the past decade or more, however, the south-west of the U.S. has been undergoing a tremendous industrial and high-tech boom. This has also been reflected in Canadian trade patterns with the U.S. The adjacent figure illustrates Canadian merchandise trade growth with individual U.S. states. As can be clearly seen, Canadian exports are increasingly penetrating in the South and West of the U.S.

Tables 2.2.2.1 to 2.2.2.5 decompose Canada's trade with the U.S. by Canadian region as well as major product groups. B.C. and the Territories, the Prairies and Atlantic Canada all depend very heavily on resources for their exports to the U.S. For B.C., Wood & Paper accounts for the largest share of their exports at 45.2 percent, it is Metals & Minerals (which includes oil) for the Prairies at 62.0 percent and 48.7 percent for Atlantic Canada. Ontario is much more manufacturing based with Transportation Equipment (41.3 percent) and Machinery & Electronics (16.2 percent) accounting for the largest share of exports. Only Quebec's exports to the U.S. are balanced among a