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**CANADA - UNITED STATES** 

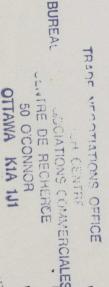
# Partners in Prosperity

## The Greatest Trade in the World

The two-way trade between Canada and the United States is the greatest in the world and it is growing. It totaled almost \$165 billion in goods and service transactions in 1987, 8.6 percent higher than it was the year before.

Preliminary Department of Commerce figures for 1988 show that Canada-United States trade in goods and service transactions totaled \$145 billion at the end of the first three quarters, up 19 percent over the same period in 1987.

The huge trade includes an extraordinary variety of merchandise and non-merchandise. Non-merchandise includes professional services, travel, royalities and license fees; and interest, dividends and other investment income. We have used goods interchangeably with merchandise, and service transactions when referring to non-merchandise trade.



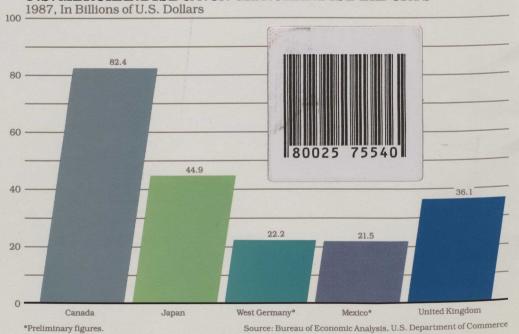
# Canada Is the United States' Best Customer

In 1987, the United States exported over \$82 billion worth of goods and service transactions to Canada—almost twice as much as it exported to Japan and more than its total exports to the United Kingdom, West Germany and Mexico.

Except where otherwise noted, figures are from the U.S. Department of Commerce, in U.S. dollars.



#### U.S. MERCHANDISE & NON-MERCHANDISE EXPORTS



# A Healthy Exchange

The United States and Canada export food and technology, raw materials and manufactured goods to each other. The production processes of the two are highly interdependent, and many goods pass back and forth across the border in various stages of assembly. Autos and auto parts move easily in both directions. They are 35 percent of U.S. exports to Canada and 34 percent of imports—a fact that suggests both the complexities and the mutual economic advantages of the exchange. The furnishing of services and other non-merchandise by both countries—the harbinger of a prosperous future—is 18 percent of total Canada-United States trade and is growing.

## What the United States Sells Canada

Seventy-two percent of U.S merchandise exports to Canada are manufactured goods—a figure that reflects the United States' commanding role as an industrial trader. It also sells Canada a variety of other products, including fruits and vegetables, meat, coal and petroleum products.

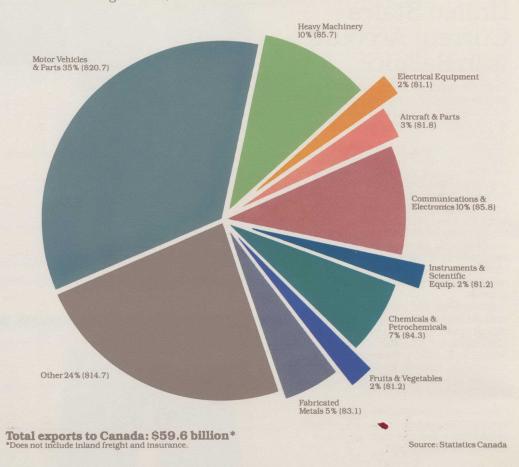
# What Canada Sells the United States

Canada sells the United States a wide range of goods, from natural gas to telecommunications equipment. Among Canada's other leading exports are newsprint, lumber, chemicals, precious metals, potash and aircraft.



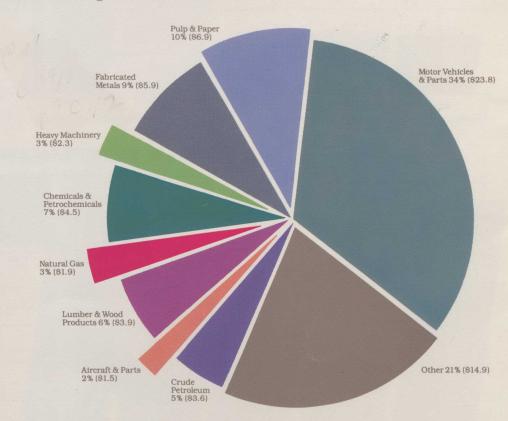
#### U.S. MERCHANDISE EXPORTS TO CANADA

1987, As Percentage of Total, In Billions of U.S. Dollars



### U.S. MERCHANDISE IMPORTS FROM CANADA

1987, As Percentage of Total, In Billions of U.S. Dollars



Total imports from Canada: \$69.2 billion\*
\*Does not include inland freight and insurance.

Source: Statistics Canada

# The Essential Importance of Growth

From 1982 to 1987, U.S. exports of goods and service transactions to all countries other than Canada grew by 16 percent. In the same period, exports to Canada grew by 53 percent, a growth of \$28.5 billion. In 1987 alone, U.S. exports to Canada grew by \$7.7 billion.

# Canadians Buy Their Share of Goods

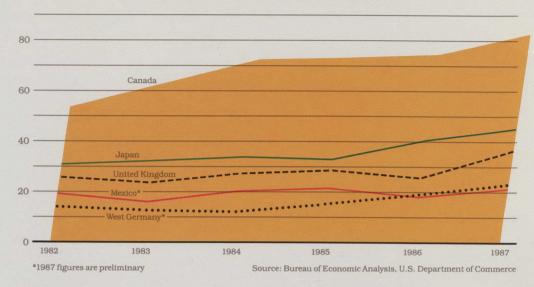
The United States sold Canada, a country with 25.8 million people, \$60 billion worth of goods in 1987. Japan, with a population almost five times as great as Canada's, bought less than half as much. The 12 countries of the European Community, which have a population more than 12 times as great as Canada's, bought only one percent more. In per capita terms, every Canadian accounted for the purchase of \$2,318 worth of American goods; every Japanese, \$231; every resident of the European Community, \$189.

# Canada Buys U.S. Services

The United States is the world's leading exporter of services. Canada is one of its best customers. In 1987 the United States furnished Canada with \$21 billion worth of services and other non-merchandise, up 17.5 percent from the year before. In recent years, Canada has had a surplus in merchandise trade; the United States one in non-merchandise.

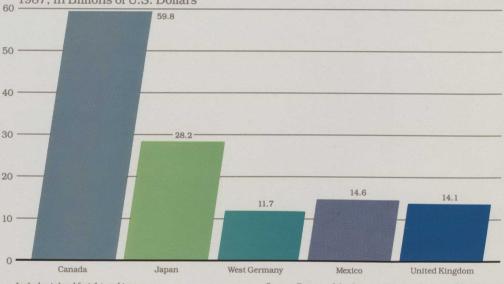
#### U.S. MERCHANDISE & NON-MERCHANDISE EXPORTS

1982-1987, In Billions of U.S. Dollars



#### U.S. MERCHANDISE EXPORTS

1987, In Billions of U.S. Dollars

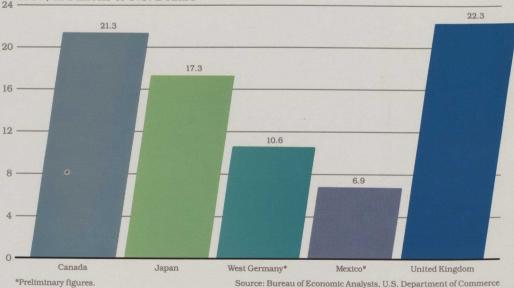


Includes inland freight and insurance.

Source: Bureau of the Census, U.S. Department of Commerce

#### U.S. NON-MERCHANDISE EXPORTS

1987, In Billions of U.S. Dollars



# The Canada-United States Current Account Is in Balance

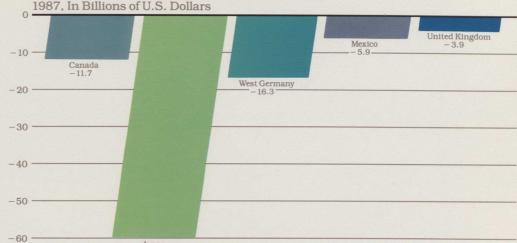
Current account is the most comprehensive way of reporting trade exchanges. It includes trade in goods, service transactions and capital flows.

Trade balances are important indicators but in today's complex world economy they can be misleading. Over the decades the balances between the United States and Canada have shifted back and forth, with the United States having a favorable one most often. More important for both partners are the size and growth of the trade, and the United States-Canada exchange is in a period of continued, healthy growth.

Since 1985, the United States' current account deficit with Canada has dropped by 94 percent, to only \$36l million.\* While the United States' deficit with Canada was disappearing, its deficit with the rest of the world went up by 40 percent and with Japan by 29 percent.

\*Preliminary figures for 1988 indicate that the exchange remains in balance, with the United States having a slight surplus at the end of three quarters.

#### U.S. MERCHANDISE TRADE BALANCES

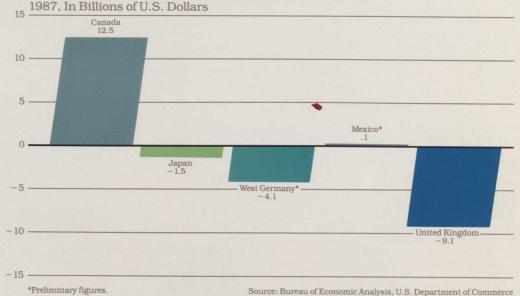


Includes inland freight and insurance.

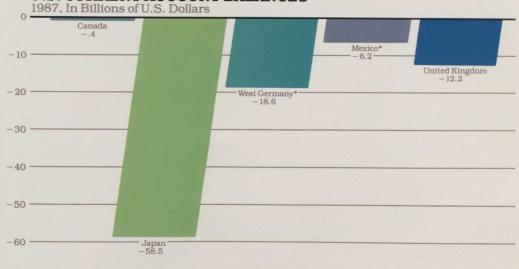
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Source: Bureau of the Census, U.S. Department of Commerce

#### U.S. NON-MERCHANDISE TRADE BALANCES



#### U.S. CURRENT ACCOUNT BALANCES



\*Preliminary figures

Source: Bureau of Economic Analysis, U.S. Department of Commerce



# Partners in Prosperity

# Defence Production

Canada and the United States have a common commitment to the defence of North America, and they share in the production of the necessary equipment and matériel.

Since 1959, the two-way defence trade has totalled some (C) \$26.9 billion.

The U.S.-Canada Defence Production Sharing Arrangement, negotiated in 1959 and since expanded to include defence development sharing projects, is designed to encourage weapons development in both countries and to give each a fair share of the market.

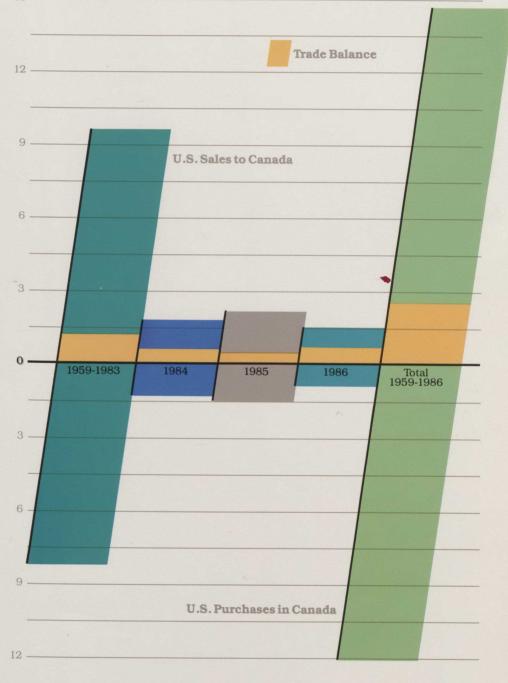
It works well. The U.S. has always had a favourable balance in the trade (totalling (C) \$2.4 billion in seventeen years) but Canada has been able to maintain its own high-tech production. Canada is a world-leading producer of small gas turbine aircraft engines, field radios, flight simulators, inertial navigation systems, light armoured vehicles and reconnaissance drones. It is among the best customers of the United States' defence industries.

In recent years, for example, Canada has bought from the United States eighteen Lockheed Long Range Aurora Patrol aircraft for (U.S.) \$1 billion and 138 F-18 fighter aircraft from McDonnell Douglas for \$3.2 billion. In 1985 it sold light armoured vehicles (LAV-25) from General Motors Canada to the U.S. Marine Corps for (U.S.) \$700 million and AN/GRC radio systems from Canadian Marconi to the U.S. Army for \$500 million. Canada's new \$1-billion low-level air defence system (ADATS) was developed by Martin Marietta Aerospace.

Canada's six new anti-submarine patrol frigates will be built in Canadian shipyards at a total cost of (C) \$3.85 billion. Canadian and American subcontractors and suppliers, as well as Canadian branches of international companies headquartered



\_ 1959-1986, Billions of Canadian Dollars

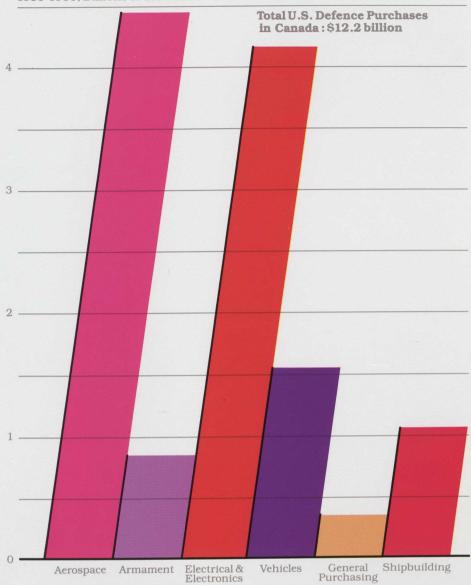


in the U.S. will equip the ships with the propulsion systems and combat systems. The (C) \$1.25-billion combat systems, for example, will be built by Paramax Electronics, a Canadian subsidiary of the Sperry Corporation.

Canada's commitment to the common defence of North America is a practical matter. Defence in the late 20th century demands high technology and industrial development that is broadly based, fair and competitive.

#### U.S. DEFENCE PURCHASES IN CANADA, BY INDUSTRY

1959-1986, Billions of Canadian Dollars



Source: Department of Supply and Services, Canada



# Partners in Prosperity

Energy

Canada and the United States share the largest energy trade in the world.

Canada is the U.S.'s largest nondomestic source of petroleum, almost 800,000 barrels a day in 1986, equal to 13 percent of U.S. oil imports.

It also provides large amounts of natural gas and electricity to U.S. markets, particularly on the West Coast and in the Northeast. Last year Canada exported some 720 billion cubic feet of natural gas to the United States, about 4 percent of U.S. demand, and Canadian electricity exports in 1986 were close to 40,000 GWH or about 1.8 percent of U.S. demand.

The United States, in turn, supplies all of Canada's imported high-quality thermal and metallurgical coal. The U.S. exports 15 million tonnes (valued at close to \$1 billion) annually, more than 30 percent of Canadian domestic coal requirements. Ontario steel mills and coalfired generation facilities depend on the coal fields of the eastern United States.

Canadian and American companies have cooperated in the design, construction and funding of major energy transportation links.

The governments of both countries are being called upon to provide protection from low oil prices and other market factors.

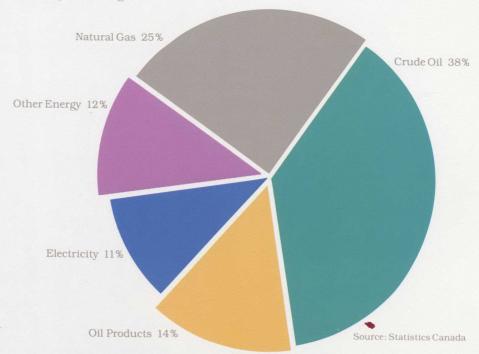
Canada has made a choice. It is not in the country's long-term interest to protect its energy-producing industries by artificially high, subsidized prices which would render its energy-consuming industries uncompetitive.

The Canadian-American energy trading relationship is one part of a broader interdependence. It requires that both countries recognize that actions harmful to one are also harmful to the other. If we approach our energy relations with maturity, self—confidence and goodwill, we can benefit mutually from this historic symbiotic relationship.

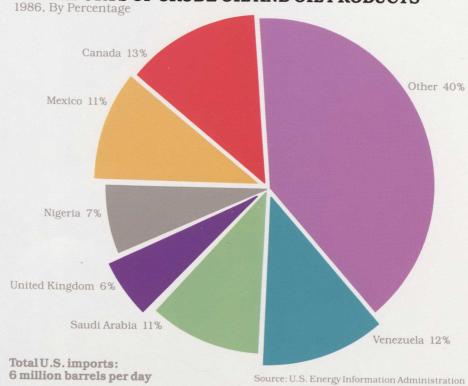
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#### U.S. ENERGY IMPORTS FROM CANADA

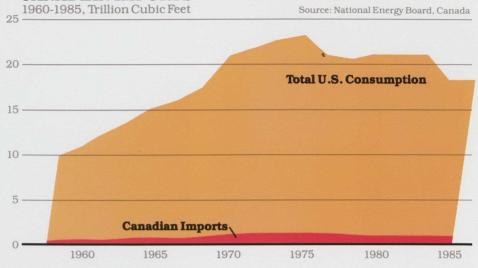
1986, By Percentage



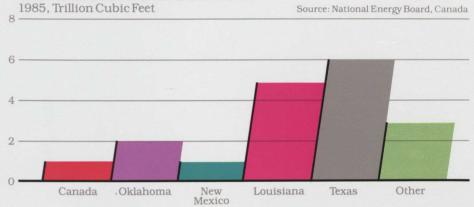
### U.S. IMPORTS OF CRUDE OIL AND OIL PRODUCTS



U.S. NATURAL GAS CONSUMPTION AND CANADIAN IMPORTS









# Investment

# Canadians and Americans have been doing business together for decades.

Canadians and Americans have been doing business together for decades. The ease and success of this relationship are envied world-wide. Some of the reasons for this success include:

- ease in financing;
- efficiency of production;
- access to lucrative markets;
- open-minded attitudes in developing a healthy business climate.

#### Canada's Commitment

Canada has accorded priority to encouraging investment. The Canadian Government facilitates private sector initiatives in all regions of the country.

#### The Partnership

Investment from the U.S. is warmly welcomed and has grown by almost 115 percent in the last ten years—from \$29.5 billion in 1978 to just over \$63 billion in 1985. In the 1980s, direct investment in Canada has grown at an annual average rate of greater than 7 percent.

The U.S. is the largest single source of foreign investment in Canada, with 76 percent of the stock of direct foreign investment in 1985 and 45 percent of foreign portfolio investment. At the end of 1986, Americans held an estimated (C)\$60.3 billion in portfolio investment in Canada.

Canadian investment in the U.S. has also grown substantially. The stock of direct investment owned by Canadians reached \$18.3 billion in 1986, making Canada the fourth largest source.

At the end of 1986, Canadians also held \$8.6 billion in portfolio investment in the U.S., making Canada the sixth largest source.

#### **Prosperity**

In both countries, cross-border investments have created new wealth and new jobs.

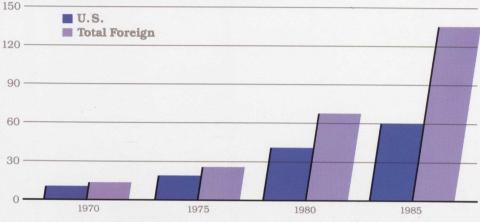
The per capita incomes of both countries have grown steadily over the last decade and a half.

Canada's economic outlook is strong. In 1986, its economy grew 3.1 percent, outpacing all other major industrial countries. Short-term interest rates are at their lowest levels

Unless otherwise noted, all figures are in U.S. dollars.

#### FOREIGN PORTFOLIO INVESTMENT IN CANADA

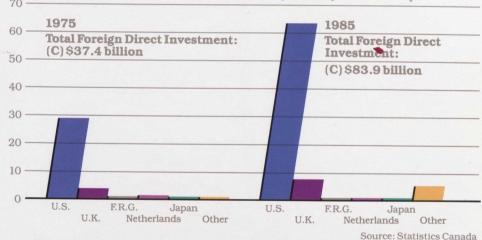
1970-1985, In Billions of Canadian Dollars



Source: Statistics Canada

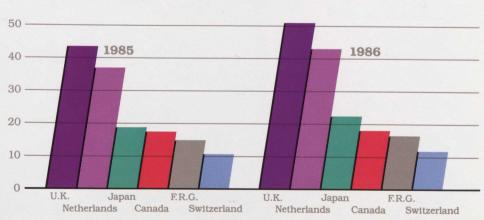
#### FOREIGN DIRECT INVESTMENT IN CANADA

1975-1985, In Billions of Canadian Dollars, By Country of Ownership



### FOREIGN DIRECT INVESTMENT IN THE U.S.

1985-1986, In Billions of U.S. Dollars, By Country of Ownership



Source: OECD

in nearly a decade and consumer confidence is high.

# In Canada, Investment Means Prosperity.

Investment Canada facilitates foreign investments which create jobs, which introduce innovative ideas and technologies, and which expand Canada's industrial and economic base.

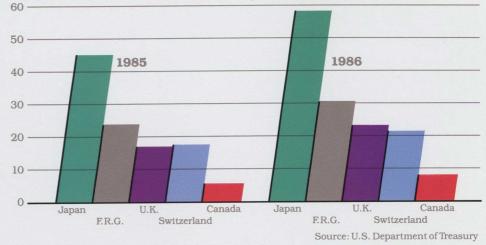
Canada is a technologically advanced country and its future prosperity requires companies committed to research and development as well as competitive worldwide marketing.

A variety of federal and provincial programs give positive support to new and expanding businesses.

Americans considering investing in Canada will find much that is familiar, little that is surprising, and a great deal that is encouraging.

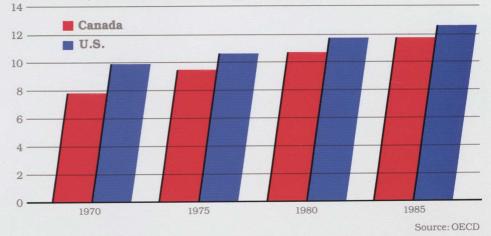
#### FOREIGN PORTFOLIO INVESTMENT IN THE U.S.

1985-1986, In Billions of U.S. Dollars, By Source Country



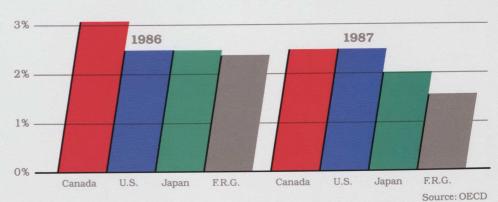
#### REAL GDP PER CAPITA, CANADA & THE U.S.

1970-1985, In Thousands of U.S. Dollars, Index: 1980 = 100



# ESTIMATED REAL GROWTH IN GDP IN MAJOR OECD COUNTRIES

1986-1987, By Percentage







**UNITED STATES - CANADA** 

# Partners in Prosperity

Steel

Some trade products—like oranges—move north and some—like natural gas—move south. Others, like steel, move both ways.

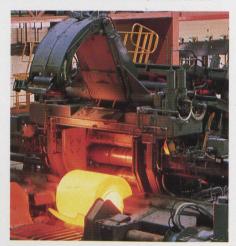
Each country is the other's best steel customer, by a wide margin.

The two-way flow reflects a number of factors. Steel is not a single product—it includes steel for construction, for oil fields, for autos and for letter openers. It is produced by many plants, some very modern, some less so and some obsolete.

The American and Canadian industries work together. A fifth of Canada's shipments south go from mill to mill. An American mill with an unusually large order, one beyond its capacity, may buy Canadian steel to help meet the demand. It is simply a matter of efficiency.

The fact is that the Canadian and American industries are natural allies. Canadian steel mills buy over 95 per cent of their coal and one-third of their iron ore from the U.S. The Canadian steel industry buys about \$1.25 worth of goods and services originating in the U.S. for every \$1 worth of steel they send south.

All North American producers face similar problems: of increased world capacity and of subsidization by some countries. The world market has diminished—autos, for example, use far less steel than in the past. Some mills in both countries are old, inefficient



Stelco



Stelco

and labour-intensive and cannot compete with new plants that use the latest technology.

In recent years the United States has moved to control the increasing invasion of the U.S. steel market. In 1984 imports from a number of countries were limited under voluntary restraint agreements but Canada, in recognition of its status as a free trader, was not one of them. The U.S. did want to be assured that Canadian producers would not exploit the situation and the two countries meet quarterly to consult on increases in the Canadian share of specific steel markets.

In 1986 Canada's market share grew from 3 to 3.6 per cent, which touched off new pressures in the U.S. The expansion was not due to market raiding or other unfair tactics. A major factor was the six-month strike of USX, the

largest American producer, which has about 17 per cent of U.S. capacity. Demand overtook domestic supply and Canadian, as well as American producers, moved to fill the gap. It was a familiar, indeed a traditional situation. In 1981, when Canadian mills were struck, the U.S. share of the Canadian market nearly doubled.

It is expected that Canada's market share will decline as USX returns to full production. If an adjustment is made for the strike, the Canadian market share has hardly changed in recent years. During this strike a number of Canadian producers turned down many U.S. orders and the government continues to counsel the Canadian industry to be prudent regarding exports to the U.S.

U.S. and Canadian producers can resolve their common problems by facing facts and working together to their common benefit.

Canadä





# Partners in Prosperity

# California



Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

# Canada is one of California's best customers.

Canada bought \$3.54 billion worth of goods from California in 1987—over 12 percent of California's \$27.47 billion sales to the world.

#### Canada bought California's hightech and agricultural products and services.

Over half of California's Canadian exports, \$2.37 billion, were in high-tech products and other manufactured goods. Computer sales alone accounted for \$818 million. Canada also bought over half a billion dollars worth of California fruits and vegetables.

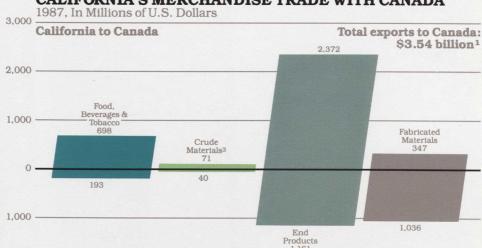
California supplied Canadians with a wide and valuable variety of services\* in banking and finance, insurance, telecommunications, technical and professional expertise and tourism.

# Canada sells California what California needs.

The two-way Canada-California trade is a partnership in productivity—each sells the other products that contribute to the prosperity of both. California bought \$2.44 billion worth of goods from Canada, including over \$1 billion

\*The United States is the world's largest exporter of services in the world and services trade accounts for an estimated 30 percent of U.S. total trade.

#### CALIFORNIA'S MERCHANDISE TRADE WITH CANADA



Total imports from Canada:
Canada to California \$2.44 billion<sup>2</sup>

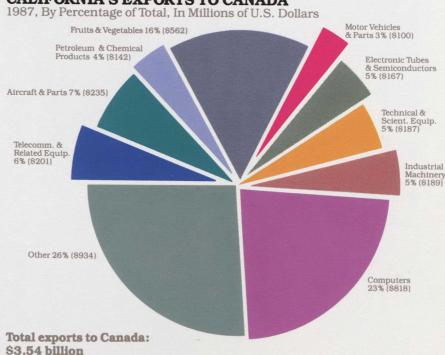
<sup>1</sup>Includes \$47 million of packaging and returned goods. <sup>2</sup>Includes \$5 million of packaging and returned goods.

2,000

3.000

<sup>3</sup>California also imported almost a billion dollars worth of natural gas from Canada, transshipped through Washington and Oregon.

#### CALIFORNIA'S EXPORTS TO CANADA



All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

worth of fabricated materials, such as paper and pulp, plastics and chemical products, and electricity.

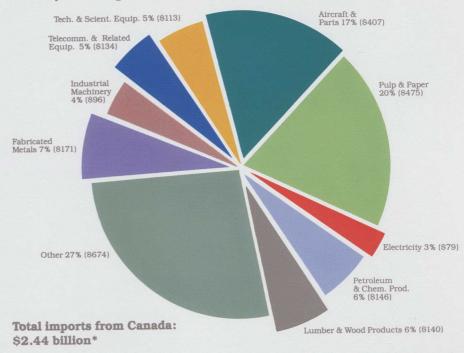
Trade means jobs and increasing trade means more jobs.

California's merchandise trade with Canada increased by 10 percent in 1987 (exports were up by 11 percent). The trade supported an estimated 108,500 jobs in California, some 81,000 of them in high-tech and manufacturing enterprises.

For more information on California's trade with Canada, please contact: The Consulate General of Canada, 300 South Grand Avenue, 10th Floor, Los Angeles, CA 90071, Tel: (213) 687-7432, (southern California); or: The Consulate General of Canada, 50 Fremont Street, Suite 2100, San Francisco, CA 94105, Tel: (415) 495-6021, (northern California).

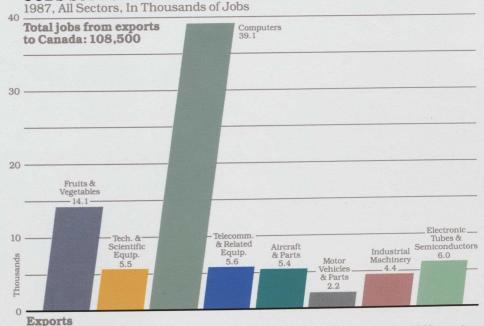
#### CALIFORNIA'S IMPORTS FROM CANADA

1987, By Percentage of Total, In Millions of U.S. Dollars



\*Does not include \$1 billion worth of natural gas imported from Canada and transshipped through Washington and Oregon.

## JOBS SUPPORTED BY CALIFORNIA'S EXPORTS TO CANADA



Source: Exports to jobs ratio derived from U.S. Bureau of Labor Statistics Employment Requirements Table; export values from Statistics Canada.



# Kentucky, Ohio & West Virginia



Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

In 1987 Canada did \$9.6 billion worth of business with Kentucky, Ohio and West Virginia.

The healthy exchange included basics and manufactured goods-Canada, for example, bought \$454 million worth of chemical products from the three states and sold them \$677 million worth; it bought \$2.1 billion worth of motor vehicles and parts and sold \$1.3 billion.

## Kentucky

Kentucky sold Canada \$536 million

worth of goods in 1987.

Its sales included \$86 million worth of motor vehicles and parts, \$43 million worth of computers, \$18 million worth of food products and \$98 million worth of industrial machinery.

Canada sold Kentucky \$776 million worth. Its sales included \$186 million worth of motor vehicles and parts, \$179 million worth of chemical products and \$35 million worth of industrial machinery.

#### Ohio

Canada did \$7.8 billion worth of business with Ohio.

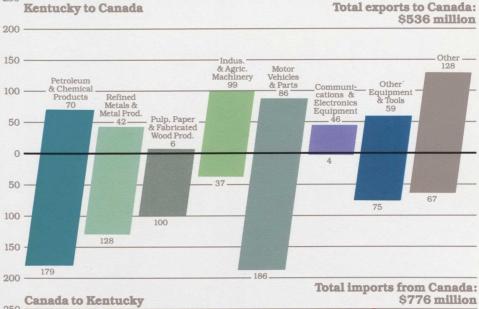
Canada's trade with Ohio was greater than its total trade with the United Kingdom.

Ohio sold Canada \$4.5 billion worth of goods and bought \$3.3 billion worth. Its sales included \$2.1 billion worth

of transportation equipment, \$425 million worth of coal, \$302 million worth of chemicals, \$77 million worth

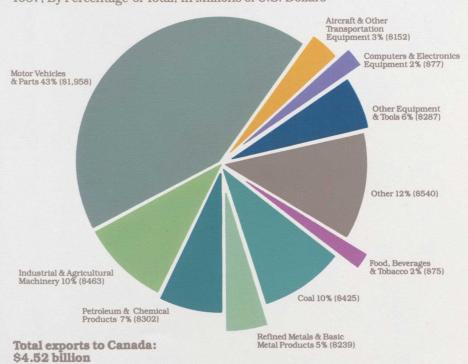
#### KENTUCKY'S MERCHANDISE TRADE WITH CANADA

1987, In Millions of U.S. Dollars



#### **OHIO'S MERCHANDISE EXPORTS TO CANADA**

1987, By Percentage of Total, In Millions of U.S. Dollars



All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

of telecommunications equipment and computers, and \$75 million worth of food products. It also sold Canada millions of dollars worth of services. Ohio's exports supported 100,000 jobs.

Canada in turn sold Ohio \$1.2 billion worth of transportation equipment, \$124 million worth of industrial machinery and \$38 million worth of office machines.

# West Virginia

West Virginia sold Canada \$253 million worth of goods in 1987.

Its sales included \$37 million worth of refined metals and basic metal products, \$10 million worth of industrial and agricultural machinery and \$82 million worth of chemicals and plas-

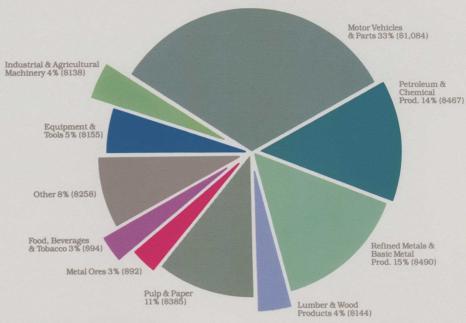
tics.

Canada sold West Virginia \$198 million worth of goods, including \$70 million worth of refined metals and \$31 million worth of chemical products.

For more information on Canada's trade with Kentucky, Ohio and West Virginia, please contact: Canadian Consulate, 55 Public Square, Suite 1008, Cleveland, Ohio 44113—1983, Telephone: (216) 771-0150.

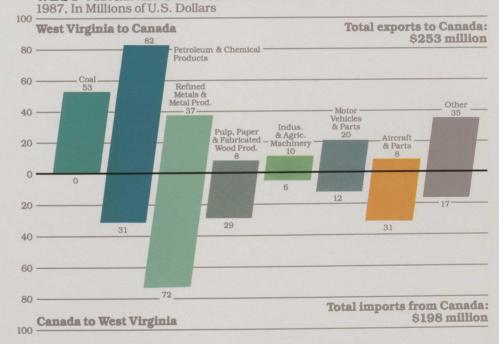
#### **OHIO'S MERCHANDISE IMPORTS FROM CANADA**

1987, By Percentage of Total, In Millions of U.S. Dollars



Total imports from Canada: \$3.31 billion

#### WEST VIRGINIA'S MERCHANDISE TRADE WITH CANADA

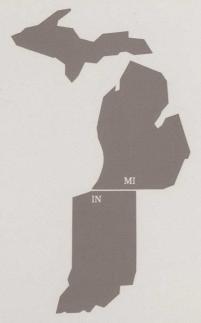




**CANADA - UNITED STATES** 

# Partners in Prosperity

# Michigan & Indiana



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Canada is Michigan and Indiana's best trading partner.

Canada and Michigan and Indiana did \$28.53 billion worth of business in 1987. That is more than double Canada's total trade with Japan and five times its trade with the United Kingdom.

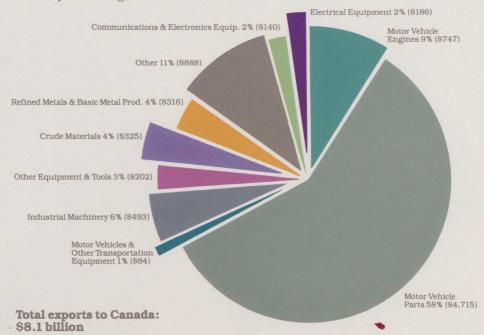
Autos are the vital core.

The bulk of the exchange for all three trading partners was in motor vehicles and parts—totalling \$20.77 billion. This is not surprising since the family car (as well as the truck and the recreational vehicle) are monuments to North American industrial achievement and symbols of free and profitable trade.\*

The automotive trade has been enhanced by the Canada-U.S. Auto Pact, signed in 1965, which permits the free flow of motor vehicles and parts across the border. Under the Pact, the United State's automotive trade with Canada has grown from less than \$5 billion in 1966 to over \$46 billion in 1987. The Canada-U.S. Free Trade Agreement is effectively an extension of the Pact.

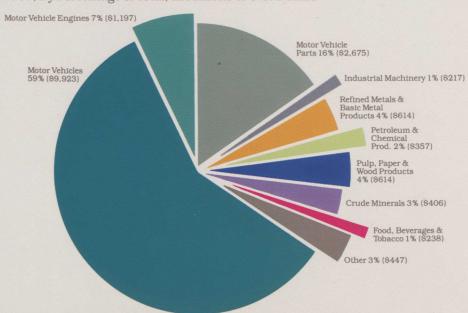
#### MICHIGAN'S MERCHANDISE EXPORTS TO CANADA

1987, By Percentage of Total, In Millions of U.S. Dollars



#### MICHIGAN'S MERCHANDISE IMPORTS FROM CANADA

1987, By Percentage of Total, In Millions of U.S. Dollars



Total imports from Canada: \$16.69 billion

All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

The automotive industry accounts for 114,000 jobs in Michigan, 27,000 jobs in Indiana, and it provides essential support for associated industries such as metal fabrication and the manufacture of tools and dies.

Michigan and Indiana are not one-industry states.

Indiana sold Čanada \$153 million worth of industrial and agricultural machinery, \$91 million worth of communications equipment including computers, and \$74 million worth of aircraft and parts. Michigan sold Canada \$493 million worth of industrial machinery, \$186 million worth of electrical equipment, \$316 million worth of refined metals and basic metal products and \$140 million worth of communications equipment.

Michigan and Indiana also supply Canada with millions of dollars in services, such as accounting and banking. This sector is expected to expand significantly under the Free Trade Agreement.

Canada sells Michigan and Indiana what they need.

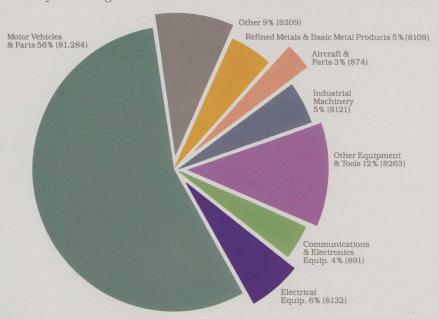
In 1987, Canada sold Michigan \$422 million worth of iron, steel and alloys; \$420 million worth of pulp and paper; \$194 million worth of lumber and wood products; and \$172 million worth of petroleum products. Canada sold Indiana \$108 million worth of pulp and paper, \$96 million worth of petroleum and chemical products, \$207 million worth of metals and alloys, and \$70 million worth of lumber and wood products.

\*The trade touches each of the United States directly or indirectly—the patterns are so diffuse that 36 percent of U.S. exports of transportation equipment are treated as coming from the country as a whole.

For more information on Michigan and Indiana's trade with Canada, please contact: Consulate General of Canada, Suite 1100, 600 Renaissance Center, Detroit, MI 48243-1704, Tel: (313) 567-2340, Fax: 567-2164, Telex: 23-0715.

#### INDIANA'S MERCHANDISE EXPORTS TO CANADA

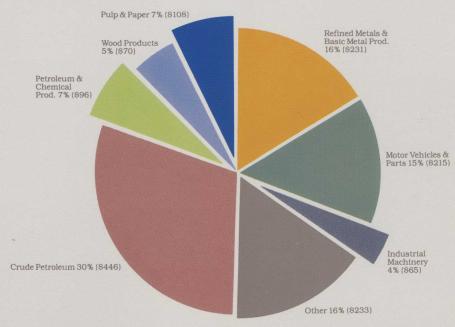
1987, By Percentage of Total, In Millions of U.S. Dollars



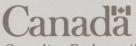
Total exports to Canada: \$2.28 billion

#### INDIANA'S MERCHANDISE IMPORTS FROM CANADA

1987, By Percentage of Total, In Millions of U.S. Dollars



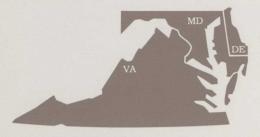
Total imports from Canada: \$1.46 billion





# Partners in Prosperity

# The Mid-Atlantic States



Delaware, Maryland and Virginia

Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

Canada did \$3.1 billion worth of business with Delaware, Maryland and Virginia in 1987.

The three states sold Canada \$1.2 billion worth of goods, including \$261 million worth of chemical products, \$147 million worth of motor vehicles and parts, \$113 million worth of telecommunications and electronics equipment and \$106 million worth of industrial machinery. The sales supported 28,600 jobs in the three states.

Canada sold Delaware, Maryland and Virginia \$1.9 billion worth of goods, including \$334 million worth of motor vehicles and parts, \$116 million worth of chemical products and \$244 million worth of paper and pulp.

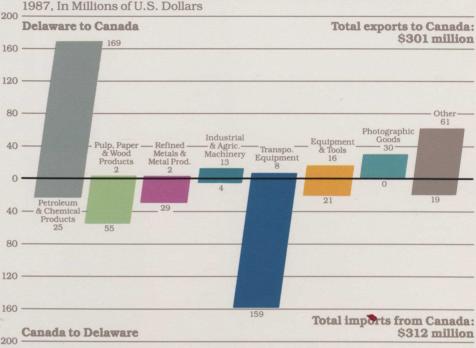
### Delaware

Canada and Delaware did \$613 million worth of business in 1987.

Delaware sold Canada \$301 million worth of goods, including \$169 million worth of chemical products, \$30 million worth of photographic goods and \$13 million worth of industrial and agricultural machinery. The sales supported 6,400 jobs in Delaware.

Canada sold Delaware \$312 million worth of goods, including \$135 million worth of motor vehicles and parts, \$37 million worth of lumber and wood products, \$28 million worth of refined metals and \$25 million worth of chemical products.

DELAWARE'S MERCHANDISE TRADE WITH CANADA



#### MARYLAND'S MERCHANDISE TRADE WITH CANADA



All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

\$663 million

200 Canada to Maryland

Maryland

Canada and Maryland did \$1 billion worth of business in 1987.

Maryland sold Canada \$365 million worth of goods, including \$80 million worth of motor vehicles and parts, \$43 million worth of chemical products, \$49 million worth of industrial machinery and \$37 million worth of telecommunications and electronics equipment. The sales supported 8,700 jobs.

Canada sold Maryland \$663 million worth of goods, including \$88 million worth of lumber and wood products, \$80 million worth of motor vehicles and parts, \$66 million worth of paper and pulp and \$64 million worth of refined metals and basic metal products.

Virginia

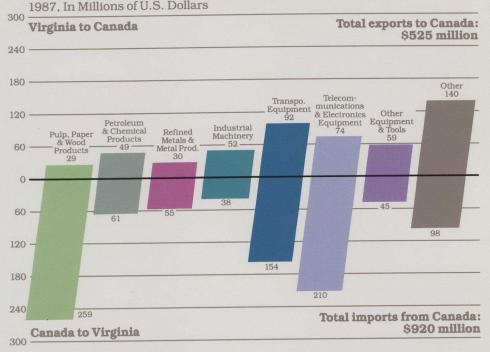
Canada and Virginia did \$1.4 billion worth of business in 1987.

Virginia sold Canada \$525 million worth of goods, including \$74 million worth of telecommunications and electronics equipment, \$65 million worth of motor vehicles and parts, \$52 million worth of industrial machinery and \$49 million worth of chemical products. The sales supported 13,500 jobs in Virginia.

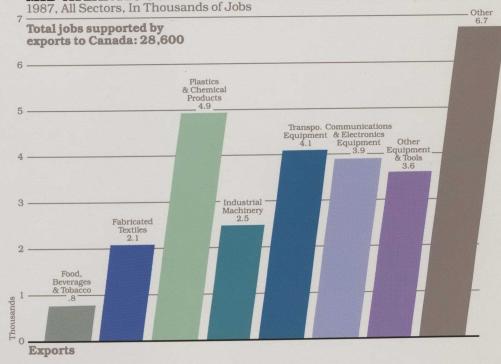
Canada sold Virginia \$920 million worth of goods, including \$210 million worth of telecommunications and electronics equipment, \$161 million worth of paper and pulp, \$119 million worth of motor vehicles and parts and \$98 million worth of lumber and wood products.

For more information on the Mid-Atlantic States' trade with Canada, please contact: Canadian Embassy, 501 Pennsylvania Ave., N.W., Washington, D.C. 20001, Telephone: (202) 682-1740.

### VIRGINIA'S MERCHANDISE TRADE WITH CANADA



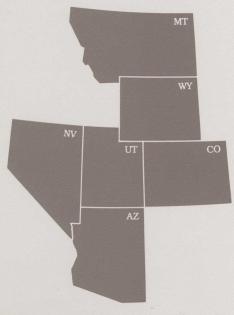
#### MID-ATLANTIC JOBS SUPPORTED BY EXPORTS TO CANADA





# Partners in Prosperity

# The Mountain States



Arizona, Colorado, Montana, Nevada, Utah and Wyoming

Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

In 1987 Canada and the Mountain States exchanged \$2.4 billion worth of goods, ranging from paper and pulp (Canada shipped \$37 million worth to Arizona) to computers (Colorado sent \$60 million worth north).

Most of the two-way flow was in sophisticated products—the six states bought \$86 million worth of machinery from Canada, for example, and sold Canada \$92 million worth in return.

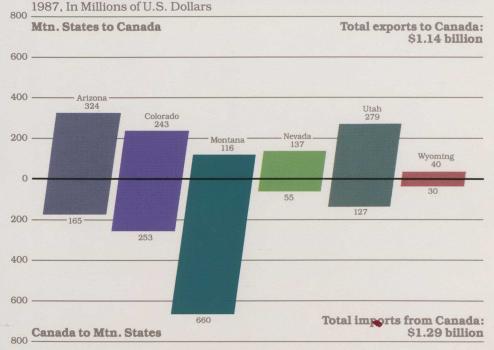
#### Arizona

Arizona sold Canada \$324 million worth of goods in 1987, including \$147 million worth of computers and electronics equipment and \$39 million worth of aircraft and parts.

Canada sold Arizona \$165 million worth, more than half of it in sophisticated manufactured products such as aircraft, and telecommunications equipment.

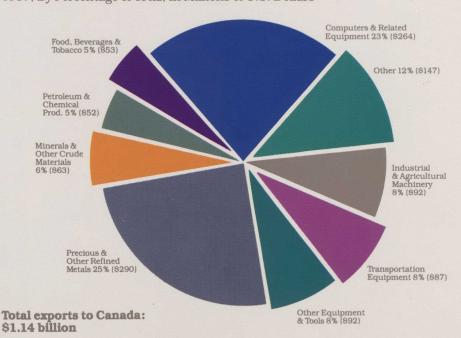
Arizona sold Canada \$29 million worth of fruits and vegetables. Canada sold Arizona \$49 million worth of forest products.





#### **MOUNTAIN STATES' MERCHANDISE EXPORTS TO CANADA**

1987, By Percentage of Total, In Millions of U.S. Dollars



All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

## Colorado

Colorado sold Canada \$38 million worth of machinery; Canada sold Colorado \$15 million worth. There was a brisk exchange in technical and scientific equipment as well—\$29 million worth moving north, \$16 million worth south.

Colorado also sold \$82 million worth of computers and related equipment and \$13 million worth of photographic goods. It imported \$96 million worth of paper and wood products and \$26 million worth of photographic goods.

#### Montana

Montana, like Canada, is rich in basic resources. In 1987 it sold Canada \$18 million worth of chemical products, \$11 million worth of forest products and \$6 million worth of refined metals and basic metal products.

Canada sold Montana \$430 million worth of petroleum and natural gas and \$86 million worth of lumber and wood. They also had a healthy trade in manufactured goods—Montana sold Canada \$11 million worth of industrial and agricultural machinery; Canada sold Montana \$21 million worth.

## Nevada

Nevada sold Canada \$93 million worth of refined precious metals and other fabricated products in 1987, and bought \$19 million worth of forest products.

Nevada sold Canada \$17 million worth of machinery, equipment and tools; Canada sold Nevada \$14 million

### Utah

Utah has mines and in 1987 it sold \$152 million worth of precious metals to Canada. Canada has both mines and forests—it sold Utah \$17 million worth of refined metals and \$16 million worth of forest products.

There was also a profitable exchange in manufactured goods. Utah sold Canada \$25 million worth of communications and electronics equipment and \$17 million worth of industrial machinery; Canada sold Utah \$16 million worth of industrial machinery and \$20 million worth of motor vehicles, aircraft and parts.

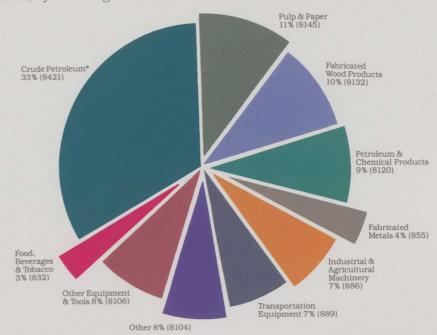
## Wyoming

Wyoming and Canada are both large stretches of land with relatively few people.

In 1987 Wyoming sold Canada \$14 million worth of chemicals and plastics, \$4 million worth of industrial and agricultural machinery and \$2 million worth of refined metals. Canada sold Wyoming \$13 million worth of chemicals and plastics, \$5 million worth of industrial and agricultural machinery and \$2 million worth of refined metals.

#### **MOUNTAIN STATES' MERCHANDISE IMPORTS FROM CANADA**

1987, By Percentage of Total, In Millions of U.S. Dollars

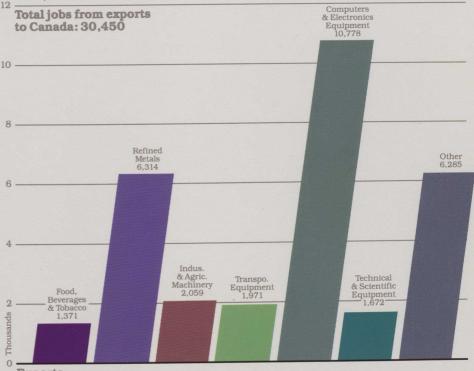


Total imports from Canada: \$1.29 billion

\*All imported by Montana.

# JOBS SUPPORTED BY MOUNTAIN STATES' EXPORTS TO CANADA

1987, Direct and Indirect, In Thousands of Jobs



**Exports**Source: Jobs to exports ratio derived from U.S. Bureau of Labor Statistics Employment Requirements Table; export values from Statistics Canada.

For more information on the Mountain States' trade with Canada, please contact: Consulate General of Canada, 300 So. Grand Ave., 10th Fl., Los Angeles, CA 90071, Tel.: (213) 687-7432 (Arizona and Clark County, Nevada); Consulate General of Canada, 50 Fremont St., Suite 2100, San Francisco, CA 94105, Tel.: (415) 495-6021 (Colorado, Nevada, except for Clark County, Utah and Wyoming); or Consulate General of Canada, 701-4th Ave. So., Minneapolis, MN 55415, Tel.: (612) 333-4641 (Montana).



Canadian Embassy/Ambassade du Canada



**CANADA - UNITED STATES** 

# Partners in Prosperity

# New York, Connecticut & New Jersey



## **New York State**

Canada loves New York.

In 1987 Canada and New York State traded \$15 billion worth of goods, more than the entire trade of many countries.

# Canada is New York's best foreign customer.

New York sold Canada \$5 billion worth of goods, one-third of its total sales abroad.

New York sells Canada a variety. New York sold Canada one billion

New York sold Canada one billion dollars' worth of high-tech goods—computers and electronic tubes, telecommunications and technical equipment. It sold almost another billion dollars' worth of motor vehicles¹ and industrial machinery. Canada bought aluminum, alloys and other metal products worth \$646 million, photographic goods worth \$257 million, books and other printed materials worth \$186 million and food worth \$179 million.

# New York supplies a range of services.

New York is an international center for banking, securities sales and financial services.<sup>2</sup> It supplies Canada with billions of dollars worth annually.

Canada sells New York oil, natural gas and electrical energy.

These cost-efficient imports account

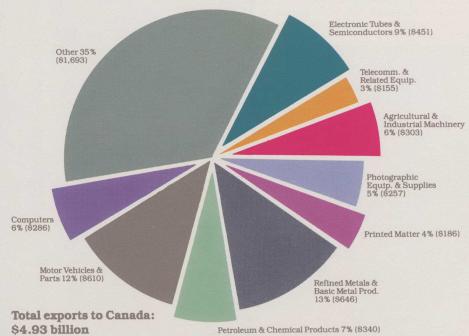
These cost-efficient imports account for about 4 percent of New York's total energy consumption.

## Exports to Canada add New York jobs.

New York's sales of goods to Canada supported over 126,000 jobs in 1987.

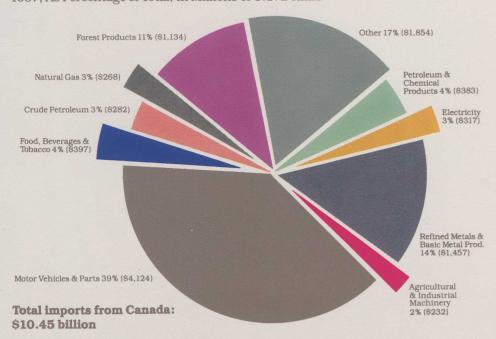
#### **NEW YORK'S MERCHANDISE EXPORTS TO CANADA**

1987, As Percentage of Total, In Millions of U.S. Dollars



#### NEW YORK'S MERCHANDISE IMPORTS FROM CANADA

1987, As Percentage of Total, In Millions of U.S. Dollars



Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

#### Connecticut

Canada is Connecticut's best foreign customer.

In 1987 almost a third—32 percent—of Connecticut's world exports—\$824 million worth of goods—went to Canada.

Canada buys Connecticut's sophisticated goods and services. Sixty-nine percent of Connecticut's

sales to Canada were in manufactured products: aircraft, computers and other electronics, motor vehicle parts<sup>1</sup> and industrial machinery.

Connecticut provides Čanadians with millions of dollars in insurance, engineering and other services. It supplied an estimated 125,000 Canadian visitors with over \$10 million in retail services in 1987.

# Canada sells what Connecticut needs.

Much of Connecticut's \$829 million worth of goods imported from Canada were such basics as copper and other metals, newsprint and lumber, and chemicals.

Canadian exports mean Connecticut jobs.

Connecticut's exports of goods to Canada in 1987 supported over 20,000 jobs in 1987.

## **New Jersey**

Canada is New Jersey's best foreign customer.

New Jersey's sales to Canada have grown by 63 percent since 1984. In 1987 Canada bought \$1.47 billion worth of its goods—29 percent of its total foreign sales. More than half of New Jersey's exports to Canada in 1987 were manufactured products—machinery, telecommunications equipment and computers, motor vehicles¹ and printed matter. It sold Canadians over \$293 million worth of chemicals, petrochemicals and plastics.

Canada is a major user of New Jersey's expanding service centers. <sup>2</sup> It supplied some 400,000 Canadian visitors with \$70 million worth of retail services in 1987.

Canada sells New Jersey the things New Jersey needs.

Canada sold New Jersey \$1.74 billion worth of goods in 1987, including paper, chemicals, metals and motor vehicles.

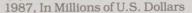
# Sales to Canada mean New Jersey

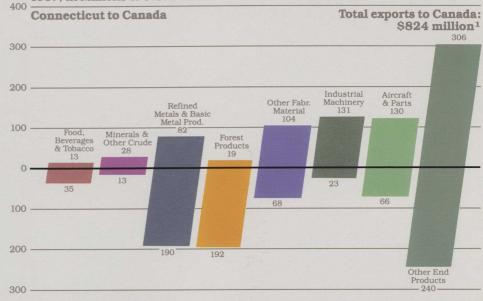
New Jersey's exports of goods to Canada supported over 36,000 jobs.

<sup>1</sup>The Canada-United States Auto Pact provides for the free cross-border flow of the products of the major U.S. auto manufacturers, from plants in both countries.

<sup>2</sup>Services include insurance, tourism, transportation, entertainment, advertising, health care and other professional services. Together with returns on investment, they account for an estimated 30 percent of the U.S.'s total trade.

#### CONNECTICUT'S MERCHANDISE TRADE WITH CANADA



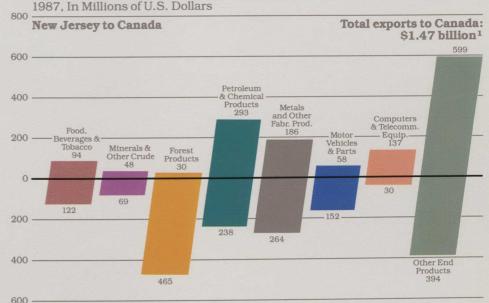


Total imports from Canada: \$829 million<sup>2</sup>

400 Canada to Connecticut

<sup>1</sup>Includes \$11 million of packaging and returned goods. <sup>2</sup>Includes \$2 million of packaging and returned goods.

#### **NEW JERSEY'S MERCHANDISE TRADE WITH CANADA**



Total imports from Canada: \$1.74 billion<sup>2</sup>

Canada to New Jersey

<sup>1</sup>Includes \$26 million of packaging and returned goods. <sup>2</sup>Includes \$1 million of packaging and returned goods.

All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

For more information on the tri-state area's trade with Canada, please contact: Consulate General of Canada, 1251 Avenue of the Americas, New York, New York 10020-1175, Tel: (212) 586-2400 (eastern and southern counties of New York, Connecticut and New Jersey); or, Consulate of Canada, Suite 3550, One Marine Midland Centre, Buffalo, New York 14203-2884, Tel: (716) 852-1247 (western and northern counties of New York).



Canadian Embassy/Ambassade du Canada



**CANADA - UNITED STATES** 

# artners in

# New York State



Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

#### Canada loves New York.

In 1987, New York-Canada trade totalled \$15 billion, more than the entire trade of many countries.

#### Canada is New York's best foreign customer.

New York sold Canada \$5 billion worth of goods, a third of its sales abroad.

New York sells Canada a rich variety of goods.

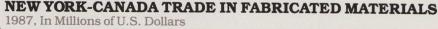
One billion dollars' worth of its exports to Canada were in sophisticated, hightech goods—computers and electronic tubes, telecommunications and technical equipment. Almost another billion dollars' worth were in motor vehicles and parts,1 railway cars and industrial machinery.

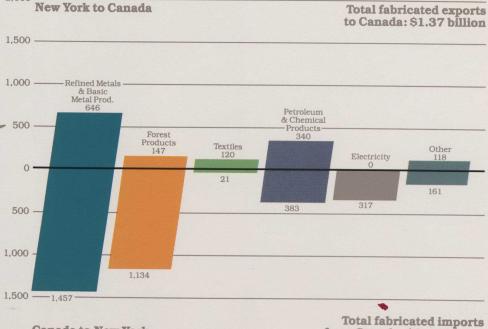
The rest of the exports ranged down from aluminum, alloys and other metal products (\$646 million) to photographic goods (\$257 million), to books and other printed materials (\$186 million) to food and livestock (\$179 million).

It supplied a range of services.

The United States is the world's leading supplier of services, 2 and New York is its center for many of them—international banking, securities exchanges and other financial services, and transportation. Canada is a major customer.

New York's hotels, shops, restaurants, theatres and other retailers provided the millions of Canadians who visited the state in 1987 with \$200 million worth of services.



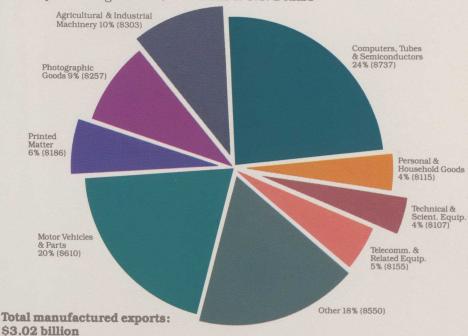


Canada to New York

from Canada: \$3.47 billion

#### NEW YORK'S MANUFACTURED EXPORTS TO CANADA

1987, By Percentage of Total, In Millions of U.S. Dollars



All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

Canada sells New York energy.

Canada is New York's reliable source of oil, natural gas and electricity. These cost-efficient imports account for about 4 percent of the state's total energy consumption.

# Canada sells New York what New York needs.

Canada sells New York a broad list of both basic and manufactured products—refined metals, forest products, plastics and chemical products, and motor vehicles and parts.

# Exports to Canada mean New York jobs.

New York's sales of goods to Canada in 1987 supported over 126,000 jobs.

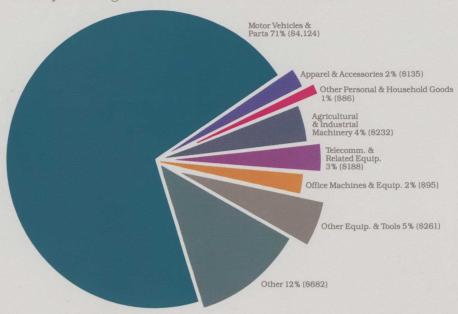
<sup>1</sup>The Canada-United States Auto Pact provides for the free cross-border flow of the products of the major U.S. auto manufacturers, from plants in both countries.

<sup>2</sup>Services include insurance, tourism, transportation, entertainment, advertising, health care and other professional services. Together with returns on investment, they account for an estimated 30 percent of the U.S.'s total trade.

For more information on New York's trade with Canada, please contact: Consulate General of Canada, 1251 Avenue of the Americas, New York, New York 10020-1175, Tel: (212) 586-2400 (eastern and southern counties); or, Consulate of Canada, Suite 3550, One Marine Midland Centre, Buffalo, New York 14203-2884, Tel: (716) 852-1247 (western and northern counties).

#### **NEW YORK'S MANUFACTURED IMPORTS FROM CANADA**

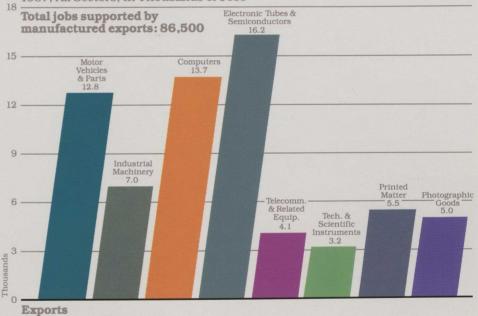
1987, By Percentage of Total, In Millions of U.S. Dollars



Total manufactured imports: \$5.80 billion

# JOBS SUPPORTED BY NEW YORK'S MANUFACTURED EXPORTS TO CANADA

1987, All Sectors, In Thousands of Jobs





**CANADA - UNITED STATES** 

# Partners in

# The North Central States



Illinois, Missouri and Wisconsin

Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

### Illinois

#### Canada is Illinois' best foreign customer.

Illinois sold Canada \$3.27 billion worth of goods in 1987-almost as much as it sold to all its other foreign customers combined.1

Trade means jobs: Growing trade means more jobs.

A healthy trade means jobs at home. In 1987, Illinois-Canada trade grew 20 percent, to a total of \$7.26 billion. Illinois' merchandise exports to Canada supported more than 79,000 jobs.

Canada buys Illinois' high-tech

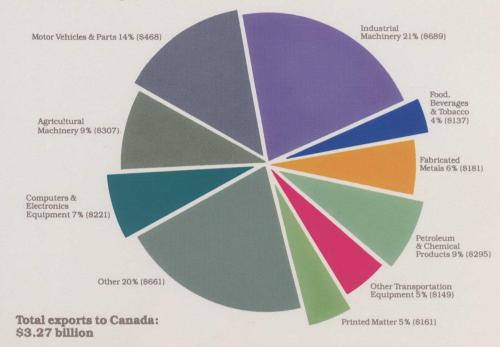
goods.
Over 75 percent of Illinois' exports to Canada were in sophisticated end products—machinery, automobiles,2 computers and electronic equipment. Illinois' exports of end products supported 63,000 jobs.

Canada is Illinois' best foreign

Canada sold Illinois a wide range of the things its people and industries needlumber, paper, automobiles2 and chemicals. One-third of Illinois' Canadian imports were petroleum and other crude materials.

#### ILLINOIS' EXPORTS TO CANADA

1987, By Percentage of Total, In Millions of U.S. Dollars



#### ILLINOIS' IMPORTS FROM CANADA 1987, By Percentage of Total, In Millions of U.S. Dollars

Motor Vehicles & Parts 15% (\$583)

Total imports from Canada:

\$3.99 billion

Crude Petroleum 29% (\$1,152) Pulp & Paper 11% (\$440) Other 13% (\$542) Petroleum & Chemical Products 9% (\$379) Lumber & Wood Products 3% (\$132) Food, Beverages & Tobacco 4% (\$149) Fabricated Metals 7% (\$278)

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Industrial & Agricultural Machinery 4% (\$149)

Office Machines & Equipment 5% (\$186)

#### Missouri

# Canada is Missouri's best foreign customer.

Missouri sold Canada \$844 million worth of goods in 1987—almost as much as it sold to all its other foreign customers combined.<sup>1</sup>

Canada bought Missouri's hightech goods.

High-tech exports mean prosperity at home. Canada is an important market for Missouri and most of the state's exports to Canada, 81 percent, were in manufactured goods—aircraft, automobiles, 2 machinery and technical instruments.

# Canada sold Missouri the things it needs.

Canada sold Missouri the things its people and industries need—automobiles, paper and lumber, and chemical products.

Trade means jobs.

Missouri's merchandise exports to Canada supported 20,000 jobs. Exports of aircraft alone supported 9,000. A healthy trade means well-paid jobs on both sides of the border.

#### Wisconsin

Canada is Wisconsin's best foreign customer.

Wisconsin sold Canada \$1.42 billion worth of goods in 1987—almost as much as it sold to all other foreign customers combined. <sup>1</sup>

Canada bought Wisconsin's most sophisticated goods.

Canada is an important market for Wisconsin and almost 81 percent of Canada's Wisconsin purchases were in manufactured goods—machinery, automobiles,<sup>2</sup> electrical equipment and computers.

Canada is Wisconsin's best foreign supplier.

Canada supplied Wisconsin's people and industries with a wide range of needed materials—from paper to automobiles. More than half of Wisconsin's Canadian imports were in crude and fabricated materials.

Trade means jobs—Growing trade means more jobs.

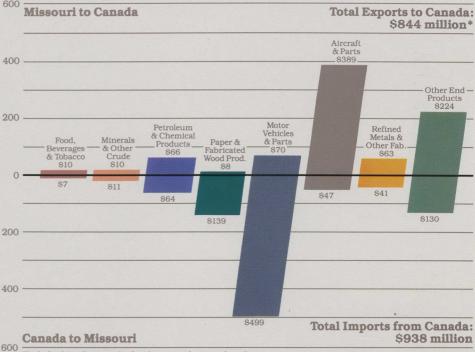
The two-way exchange between Wisconsin and Canada totaled \$3.1 billion in 1987, up 12 percent from the year before. In 1987 Wisconsin's merchandise exports to Canada supported an estimated 34,000 jobs. Exports of end products supported 28,500.

<sup>1</sup>Illinots' sales to Canada were 48 percent of its total foreign sales of \$6.86 billion reported by the U.S. Dept. of Commerce, Missouri's Canadian sales were 46 percent of total foreign sales of \$1.83 billion and Wisconsin's sales to Canada were 46 percent of a total of \$3.08 billion.

<sup>2</sup>The major U.S. automobile manufacturers have plants in Canada. Under the terms of the long-standing Auto Pact, their products move freely across the border.

#### MISSOURI'S MERCHANDISE TRADE WITH CANADA

1987, In Millions of U.S. Dollars



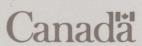
\*Includes \$4 million worth of packaging and returned goods.

#### WISCONSIN'S MERCHANDISE TRADE WITH CANADA

1987, In Millions of U.S. Dollars Wisconsin to Canada Total exports to Canada: \$1.42 billion\* 600 Indus. & Agric. Machinery \$464 End Products \$384\_ 400 Motor Vehicles & Parts \_\$195\_ Chemicals Electrical 200 Paper & — Fabr. Wood Prod. Refined & Other Fabr. Prod. Food Equip \$100 Metals & Metal Prod Crude Materials \$42 Beverages & Tobacco \$51 0 860 861 \$78 896 200 400 600 8641 Total imports from Canada: \$1.73 billion Canada to Wisconsin

\*Includes \$12 million worth of packaging and returned goods.

For more information on the North Central States' trade with Canada, please contact: Consulate General of Canada, Suite 1200, 310 South Michigan Avenue, Chicago, Illinois 60604-4295; tel: (312) 427-1031.



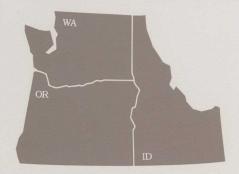
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**CANADA - UNITED STATES** 

# Partners in Prosperity

# The Northwest



Washington, Oregon, Idaho

Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

Canada's trade with its northwestern neighbors totaled \$5.1 billion in 1987.

It shares much with Washington, Oregon, Idaho and Alaska—terrain, lifestyles, challenges and opportunities.

Each of the trading partners sells basics and sophisticated goods, buys what it needs, and prospers as a result.

There was a healthy exchange across a broad spectrum, from fruits and vegetables to technical instruments and scientific equipment.

Canada and the United States, all of them, are free traders and free trade is a game in which everybody wins. The four states' exports to Canada support over 40,000 jobs in Washington, Oregon, Idaho and Alaska.

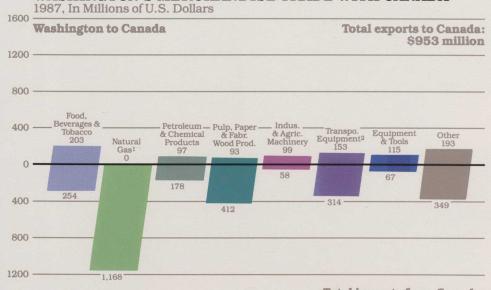
Washington

Washington and Canada did \$3.8 billion worth of business in 1987.

Washington sold Canada almost a billion dollars worth of goods—ranging from \$97 million worth of chemical products, to \$84 million worth of industrial machinery; \$60 million worth of computers and communications equipment, to \$59 million worth of motor vehicles and parts; and \$16 million worth of ships, boats and marine engines. Washington's exports to Canada supported 24,000 jobs.

Washington is Canada's gateway to the western United States and many of its imports from Canada, such as natural gas shipments, move on to other markets. Many, of course, are used on the spot.

#### WASHINGTON'S MERCHANDISE TRADE WITH CANADA



Canada to Washington

Total imports from Canada: \$2.8 billion

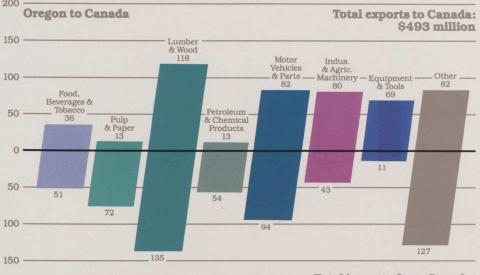
<sup>1</sup>Much of the natural gas imported from Canada was transshipped through Washington to other states.

<sup>2</sup>Exports include \$75 million worth of aircraft and parts and \$59 million worth of motor vehicles and parts.

Imports include \$107 million worth of aircraft and parts and \$190 million worth of motor vehicles and parts.

#### OREGON'S MERCHANDISE TRADE WITH CANADA

1987, In Millions of U.S. Dollars



Canada to Oregon

Total imports from Canada: \$587 million

All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

Canada sold Washington \$2.8 billion worth of goods, including \$279 million worth of lumber and wood, \$254 million worth of agricultural products, \$190 million worth of motor vehicles and parts, and \$133 million worth of pulp and paper.

Oregon

Oregon and Canada did \$1.1 billion worth of business in 1987

Oregon sold Canada \$493 million worth of goods, including \$82 million worth of motor vehicles and parts and \$11 million worth of aircraft and aircraft parts, \$118 million worth of lumber and wood products, and \$75 million worth of industrial machinery.

Oregon's exports to Canada sup-

ported 14,000 jobs.

Canada sold Oregon \$587 million worth of goods, including \$135 million worth of wood and lumber, \$94 million worth of motor vehicles and parts, \$72 million worth of pulp and paper, and \$48 million worth of electricity.

## Idaho

Canada and Idaho did \$164 million worth of business in 1987

Idaho sold Canada a rich variety of products-\$72 million worth, including \$10 million worth of communications and other electronics equipment, \$10 million worth of fruit and vegetables, and \$6 million worth of heavy machinery. Idaho's exports to Canada supported 2,000 jobs

Canada sold Idaho \$92 million worth, including \$36 million worth of lumber and wood, \$12 million worth of fertilizers and \$8 million worth of agri-

cultural products.



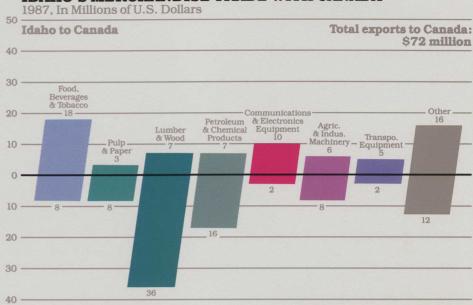
### Alaska

Canada and Alaska did \$118 million worth of business in 1987

Alaska sold Canada \$50 million worth of goods, including \$13 million worth of fish, \$9 million worth of precious metals and \$7 million worth of transportation equipment. Alaska's exports to Canada supported 1,200 jobs.

Canada sold Alaska \$68 million worth of goods, including \$18 million worth of petrochemicals and coal products and \$16 million worth of industrial machinery.

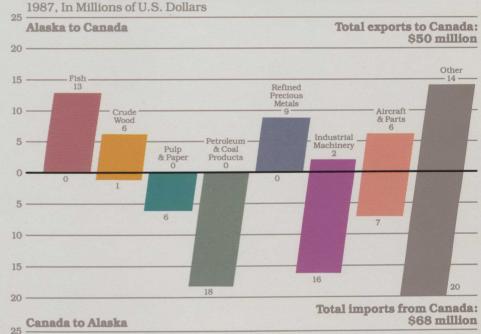
#### **IDAHO'S MERCHANDISE TRADE WITH CANADA**



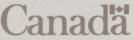
Total imports from Canada:

\$92 million

#### ALASKA'S MERCHANDISE TRADE WITH CANADA



For more information on the Northwest's trade with Canada, please contact: Canadian Consulate General, 412 Plaza 600, Sixth and Stewart, Seattle, Washington 98101-1286, Telephone: (206) 443-1777.



Canada to Idaho



# Partners in Prosperity

# Pennsylvania



Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

#### Canada and Pennsylvania did \$4.64 billion worth of business in 1987.

The flourishing trade is almost precisely in balance. Pennsylvania bought \$2.37 billion worth of goods from Canada and Canada bought \$2.27 worth from Pennsylvania.

# The goods exchanged ranged from fruits and vegetables to computers and telecommunications equipment.

Pennsylvania sold Canada \$301 million worth of motor vehicles and parts; \$296 million worth of industrial and agricultural machinery; \$272 million worth of chemicals, petrochemicals and plastics; \$199 million worth of refined metals and basic metal products; and \$199 million worth of computers and electronics equipment.

Canada sold Pennsylvania \$491 million worth of paper and pulp, \$214 million worth of lumber and wood products, \$223 million worth of aluminum and alloys, \$198 million worth of motor vehicles and parts, and \$128 million worth of iron and steel.

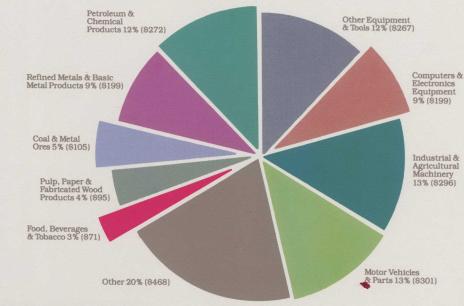
# Sales to Canada mean thousands of Pennsylvania jobs.

Pennsylvania's exports of goods to Canada support 56,500 jobs.

For more information on Pennsylvania's trade with Canada, please contact: Canadian Embassy, 501 Pennsylvania Ave., N.W., Washington, D.C. 20001 (eastern Pennsylvania); or, Canadian Consulate, 55 Public Square, Suite 1008, Cleveland, Ohio 44113–1983, Telephone: (216) 771-0150 (western Pennsylvania).

#### PENNSYLVANIA'S MERCHANDISE EXPORTS TO CANADA

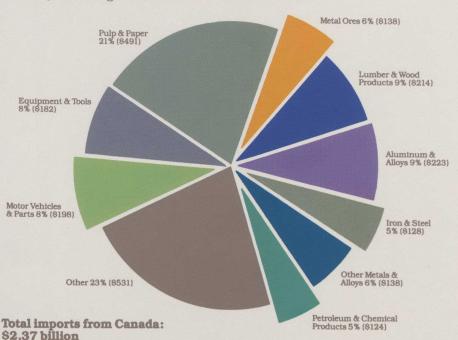
1987, By Percentage of Total, In Millions of U.S. Dollars



Total exports to Canada: \$2.27 billion

#### PENNSYLVANIA'S MERCHANDISE IMPORTS FROM CANADA

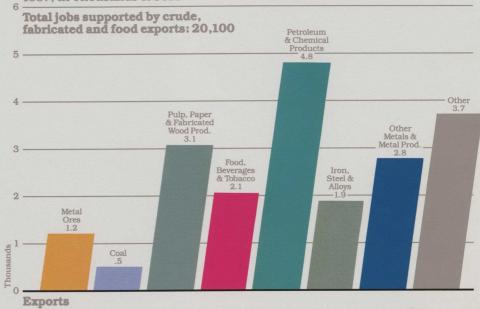
1987, By Percentage of Total, In Millions of U.S. Dollars



All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

# JOBS SUPPORTED BY PENNSYLVANIA'S CRUDE, FABRICATED AND FOOD EXPORTS TO CANADA

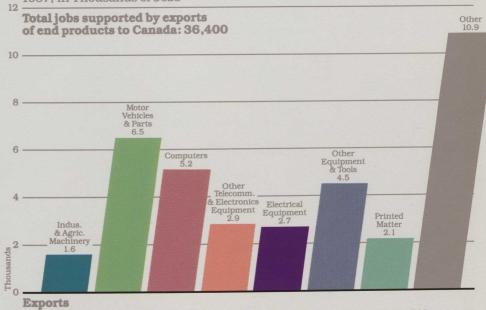
1987, In Thousands of Jobs



Source: Exports to jobs ratio derived from U.S. Bureau of Labor Statistics Employment Requirements Table; export values from Statistics Canada.

# JOBS SUPPORTED BY PENNSYLVANIA'S EXPORTS OF END PRODUCTS TO CANADA

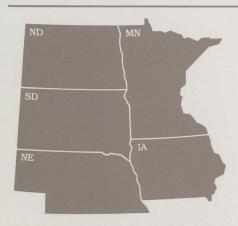
1987, In Thousands of Jobs



Source: Exports to jobs ratio derived from U.S. Bureau of Labor Statistics Employment Requirements Table; export values from Statistics Canada.



# The Plains States



Iowa, Minnesota, Nebraska, North Dakota and South Dakota

Canada did \$4.9 billion worth of business with the Plains States in 1987.

Iowa, Minnesota, Nebraska, North and South Dakota sold Canada \$1.8 billion worth of goods, and these exports supported 45,300 jobs.

The sales included \$414 million worth of industrial and agricultural machinery, \$191 million worth of motor vehicles and parts and \$203 million worth of computers and other electronics equipment.

Canada in turn supplied the five states with \$1.3 billion worth of petroleum, natural gas and electricity; \$382 million worth of paper and pulp; and \$420 million worth of chemical prod-

### lowa

Canada and Iowa traded \$894 million worth of goods in 1987

Iowa sold Canada \$568 million worth of goods, including \$182 million worth of industrial and agricultural machinery, \$98 million worth of transportation equipment and \$34 million worth of chemical products. The sales supported 14,000 jobs.

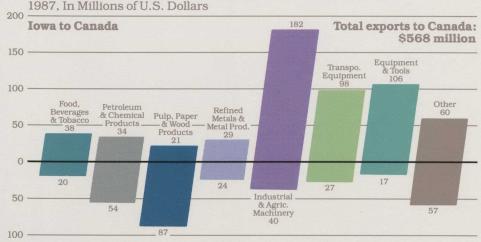
Canada sold Iowa \$326 million worth of goods, including \$77 million worth of paper and pulp, \$40 million worth of industrial and agricultural machinery, \$34 million worth of natural gas, and \$24 million worth of refined metals and 1500 Canada to Minnesota basic metal products.

### Minnesota

Canada and Minnesota did \$3.1 billion worth of business in 1987.

Minnesota sold Canada \$869 million worth of goods, including \$182 million worth of computers and electronics

#### **IOWA'S MERCHANDISE TRADE WITH CANADA**

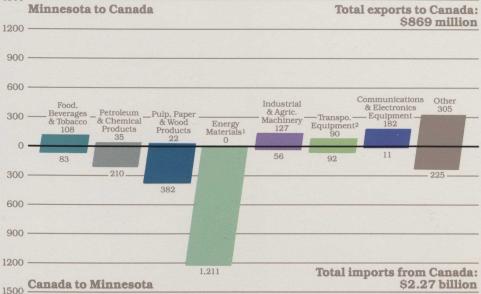


Total imports from Canada: Canada to Iowa \$326 million 200

#### MINNESOTA'S MERCHANDISE TRADE WITH CANADA

1987, In Millions of U.S. Dollars

150



<sup>1</sup>Imports include \$999 million worth of crude petroleum, \$174 million worth of natural gas and \$38 million worth of electricity.

<sup>2</sup>Exports include \$60 million worth of motor vehicles and parts and \$20 million worth of aircraft and parts. Imports include \$83 million worth of motor vehicles and parts and \$2 million worth of aircraft and parts.

Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

equipment, \$127 million worth of industrial and agricultural machinery, \$60 million worth of motor vehicles and parts and \$57 million worth of fodder and feed. Minnesota's exports to

Canada supported 24,000 jobs. Canada sold Minnesota \$2.3 billion worth of goods, including \$999 million worth of crude petroleum and \$174 million worth of natural gas.\* It also sold \$255 million worth of paper and pulp, \$127 million worth of lumber and wood products and \$111 million worth of fertilizers.

### Nebraska

Nebraska and Canada exchanged \$231 million worth of goods in 1987. Nebraska sold Canada \$134 million

worth of materials, ranging from \$9 million worth of meat to \$27 million worth of agricultural and industrial machinery, \$18 million worth of motor vehicles and parts, \$9 million worth of printed matter and \$8 million worth of medical and pharmaceutical supplies. Nebraska's sales to Canada supported 3,000 jobs.

Canada sold Nebraska \$97 million worth of goods, including \$29 million worth of paper and pulp, \$17 million worth of industrial and agricultural machinery, \$11 million worth of agricultural products and \$6 million worth of motor vehicles and parts.

## North Dakota

Canada and North Dakota did \$532 million worth of business in 1987

North Dakota sold Canada \$163 million worth of goods, including \$69 million worth of industrial and agricultural machinery and \$32 million worth of motor vehicles and parts. The sales supported 3,300 jobs.

Canada sold North Dakota \$369 million worth of goods, including \$80 million worth of motor vehicles and parts, \$60 million worth of fertilizers and \$52 million worth of agricultural machin-

### South Dakota

Canada and South Dakota traded \$89 million worth of goods in 1987

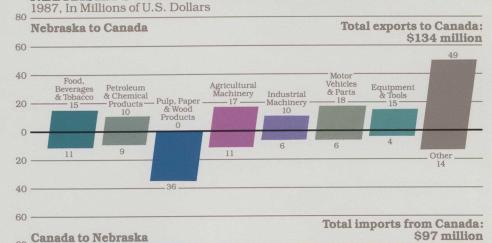
South Dakota sold Canada \$25 million worth, including \$10 million worth of industrial and agricultural machinery, \$2 million worth of transportation equipment and \$1 million worth of communications equipment and computers. South Dakota's sales to Canada supported 1,000 jobs.

Canada sold South Dakota \$64 million worth of goods, including \$17 million worth of livestock, \$13 million worth of industrial and agricultural machinery, \$9 million worth of paper and pulp and \$4 million worth of fertilizers.

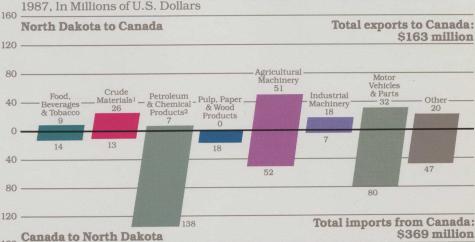
\*Much of these energy imports were transshipped to other states.

For more information on the Plains States' trade with Canada, please contact: Canadian Consulate General, 701-4th Ave. South, Minneapolis, Minnesota 55415, Telephone: (612) 333-4641.

#### NEBRASKA'S MERCHANDISE TRADE WITH CANADA



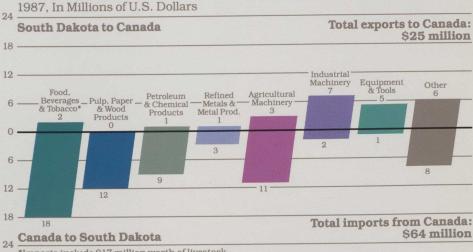
#### NORTH DAKOTA'S MERCHANDISE TRADE WITH CANADA



<sup>1</sup>Exports include \$18 million worth of crude animal products.

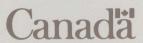
<sup>2</sup>Imports include \$60 million worth of fertilizers, \$49 million worth of petroleum and coal products and \$29 million worth of chemicals.

#### SOUTH DAKOTA'S MERCHANDISE TRADE WITH CANADA



\*Imports include \$17 million worth of livestock.

All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.



Canadian Embassy/Ambassade du Canada



# Partners in Prosperity

# The South Atlantic States



Florida, Georgia, North Carolina and South Carolina

Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

Canada and the four South Atlantic States—Georgia, Florida, North and South Carolina—did \$6.5 billion worth of business in 1987.

The states sold Canada \$3.1 billion worth, including \$498 million worth of transportation equipment, \$306 million worth of industrial and agricultural machinery and \$218 million worth of fruits and vegetables. Exports to Canada supported 82,000 jobs in the four states.

Canada sold the four states \$3.4 billion worth, including \$790 million worth of transportation equipment; \$189 million worth of industrial and agricultural machinery; and \$975 million worth of wood products, paper and pulp.

### Florida

Canada and Florida did \$1.9 billion worth of business in 1987.

Florida sold Canada \$936 million worth of goods, including \$204 million worth of fruits and vegetables, \$170 million worth of communications and electronics equipment and \$108 million worth of transportation equip-

#### FLORIDA'S MERCHANDISE TRADE WITH CANADA

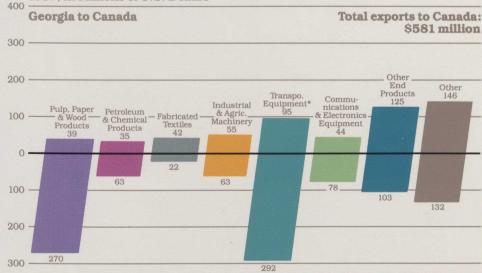


400

Exports to Canada include \$204 million worth of fruits and vegetables and \$23 million worth of fish. Imports include \$12 million worth of fish and \$10 million worth of cereals.

 $^2$ Exports include \$30 million worth of motor vehicles and parts and \$64 million worth of aircraft and parts. Imports include \$59 million worth of motor vehicles and parts and \$52 million worth of aircraft and parts.

# **GEORGIA'S MERCHANDISE TRADE WITH CANADA** 1987, In Millions of U.S. Dollars



\*Exports to Canada include \$59 million worth of motor vehicles and parts and \$29 million worth of aircraft and parts. Imports include \$187 million worth of motor vehicles and parts and \$86 million worth of aircraft and parts.

Total imports from Canada:

All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

ment. Sales of goods supported more than 25,000 jobs.

More than 1.7 million Canadian tourists visited Florida in 1987 and spent \$838.2 million.\* They supported thousands of service jobs in the state.

Canada sold Florida \$930 million worth of goods, including \$124 million worth of transportation equipment, \$61 million worth of communications and electronics equipment and \$134 million worth of other equipment and tools.

Georgia

Canada and Georgia did \$1.6 billion worth of business in 1987.

Georgia sold Canada \$581 million worth, including \$95 million worth of transportation equipment, \$55 million worth of industrial and agricultural machinery and \$35 million worth of petrochemicals and chemical products. The sales supported 15,000 jobs.

Canada sold Georgia \$1 billion worth of goods, including \$270 million worth of wood products and paper and pulp, \$292 million worth of transportation equipment and \$78 million worth of communications and electronics equipment.

## North Carolina

Canada and North Carolina did \$1.9 billion worth of business in 1987.

North Carolina sold Canada more than \$1 billion worth of goods, including \$145 million worth of textiles, \$177 million worth of transportation equipment and \$138 million worth of computers. The sales supported 29,000 jobs.

Canada sold North Carolina \$903 million worth of goods, including \$133 million worth of office machinery, \$93 million worth of transportation equipment and \$55 million worth of industrial and agricultural machinery.

### South Carolina

Canada and South Carolina did \$1.1 billion worth of business in 1987.

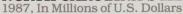
South Carolina sold Canada \$527 million worth, including \$87 million worth of textiles, \$70 million worth of industrial machinery and \$40 million worth of petrochemicals and chemical products. The sales supported more than 13,000 jobs.

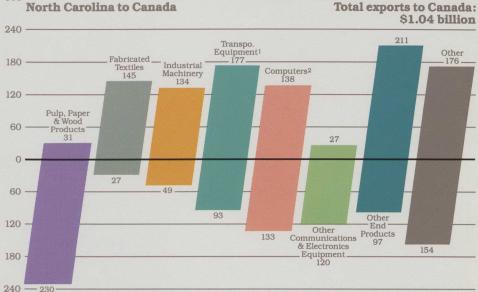
Canada sold South Carolina \$552 million worth, including \$112 million worth of wood products and paper and pulp, \$27 million worth of industrial and agricultural machinery and \$42 million worth of petrochemicals and chemical products.

\*Source: U.S. Travel and Tourism Administration.

For more information on the South Atlantic States' trade with Canada, please contact; Canadian Consulate General, Suite 400, South Tower, One CNN Center, Atlanta, Georgia 30303-2705, Tel.: (404) 577-6810.

#### NORTH CAROLINA'S MERCHANDISE TRADE WITH CANADA





#### Canada to North Carolina

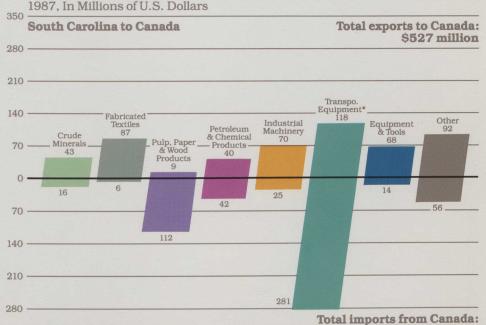
Total imports from Canada: \$903 million

\$552 million

 $^1$ Exports to Canada include \$145 million worth of motor vehicles and parts and \$12 million worth of aircraft and parts. Imports include \$65 million worth of motor vehicles and parts and \$15 million worth of aircraft and parts.

<sup>2</sup>Imports only include other office machines.

#### SOUTH CAROLINA'S MERCHANDISE TRADE WITH CANADA



350 Canada to South Carolina

\*Exports to Canada include \$46 million worth of motor vehicles and parts and \$12 million worth of railway rolling stock. Imports include \$31 million worth of motor vehicles and parts and \$15 million worth of aircraft and parts.





# Partners in Prosperity

# The South Central States



Alabama, Mississippi and Tennessee

Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

Canada and the South Central States did \$2.7 billion worth of business in 1987.

Alabama, Mississippi and Tennessee sold \$1.5 billion worth of goods to Canada, including \$500 million worth of transportation equipment, \$143 million worth of communications and electronics equipment, \$155 million worth of chemicals and plastics and \$100 million worth of industrial machinery. The sales to Canada supported 37,500 jobs in the three states.

Canada sold the three states \$1.2 billion worth of goods, including \$185 million worth of paper and pulp, \$134 million worth of motor vehicles and parts and \$95 million worth of industrial machinery.

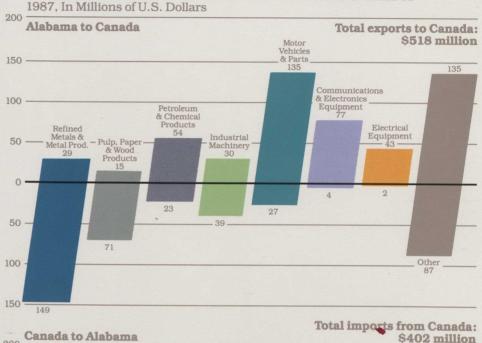
### Alabama

Canada and Alabama did \$920 million worth of business in 1987.

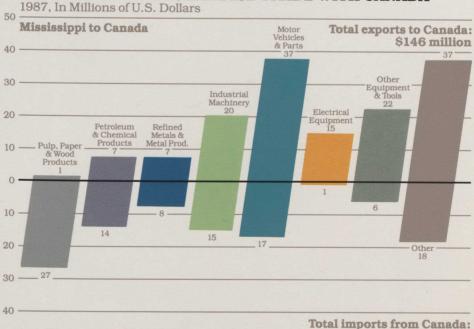
Alabama sold Canada \$518 million worth of goods in 1987, including \$135 million worth of motor vehicles and parts, \$77 million worth of communications and electronics equipment and \$54 million worth of chemicals and plastics. The sales supported 13,000 jobs in Alabama.

Canada sold Alabama \$402 million worth of goods, including \$126 million worth of aluminum, \$39 million worth of industrial machinery and \$36 million worth of paper and pulp.

#### ALABAMA'S MERCHANDISE TRADE WITH CANADA



#### MISSISSIPPI'S MERCHANDISE TRADE WITH CANADA



All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

\$106 million

Canada to Mississippi

Investment by Canadian companies in Alabama totals more than \$692 million and has generated an estimated 6,000 jobs.

Mississippi

Canada and Mississippi did \$252 million worth of business in 1987.

Mississippi sold Canada \$146 million worth, including \$37 million worth of motor vehicles and parts, \$20 million worth of industrial machinery, and \$15 million worth of electrical equipment. The sales supported 3,500 jobs in Mississippi.

Canada sold Mississippi \$106 million worth of goods in 1987, including \$27 million worth of paper, pulp and other forest products; \$17 million worth of motor vehicles and parts; and \$15 million worth of industrial machinery.

Investment by Canadian companies in Mississippi totals more than \$590 million and has generated an estimated 3,800 jobs.

## Tennessee

Tennessee and Canada exchanged \$1.5 billion worth of goods in 1987.

Tennessee sold Canada \$837 million worth of goods, including \$256 million worth of motor vehicles and parts, \$94 million worth of chemicals and plastics and \$59 million worth of communications and electronics equipment. The sales supported 21,000 jobs in Tennessee.

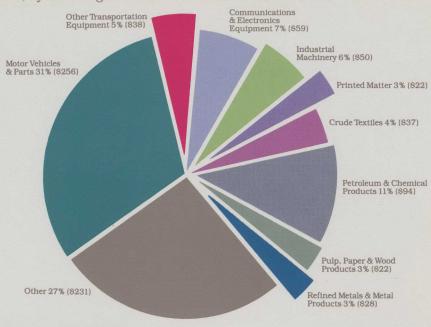
Canada sold Tennessee \$670 million worth of goods, including \$135 million worth of paper and pulp, \$95 million worth of natural gas and \$90 million worth of motor vehicles and parts.

Investment by Canadian companies in Tennessee totals \$1.6 billion and has generated an estimated 12,600 jobs.

For more information on the South Central States' trade with Canada, please contact: Canadian Consulate General, Suite 400, South Tower, One CNN Center, Atlanta, Georgia 30303-2705, Tel: (404) 577-6810.

#### TENNESSEE'S MERCHANDISE EXPORTS TO CANADA

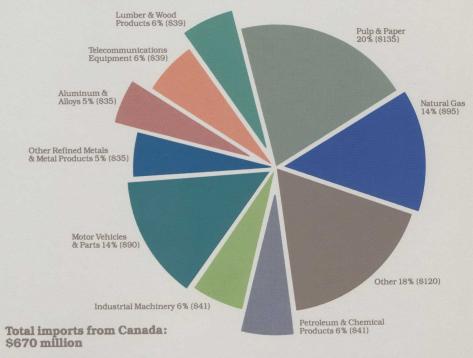
1987, By Percentage of Total, In Millions of U.S. Dollars



Total exports to Canada: \$837 million

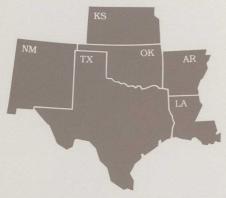
#### TENNESSEE'S MERCHANDISE IMPORTS FROM CANADA

1987, By Percentage of Total, In Millions of U.S. Dollars





The Southwest



Arkansas, Kansas, Louisiana, New Mexico, Oklahoma and Texas

Most tariffs and trade barriers between Canada and the United States have been eliminated under the General Agreement on Tariffs and Trade, and trade between them is the greatest bilateral exchange in the world. In 1987 it totalled \$165 billion. The new Canada-United States Free Trade Agreement will eliminate the remaining tariffs and many non-tariff barriers in the next 10 years.

They exchange more than whooping cranes.

Last year Canada and these six southwestern states—Texas, Arkansas, Kansas, Louisiana, New Mexico and Oklahoma-did \$5.2 billion worth of business.

The six may seem far from Canada but they are closer than some folks think. Kansas City, Kansas, is 620 miles from Canada and Dallas, Texas, is 830.

Canada and the six states exchanged \$1.1 billion worth of chemicals, \$624 million worth of automobiles and auto parts, and \$200 million worth of agricultural products.

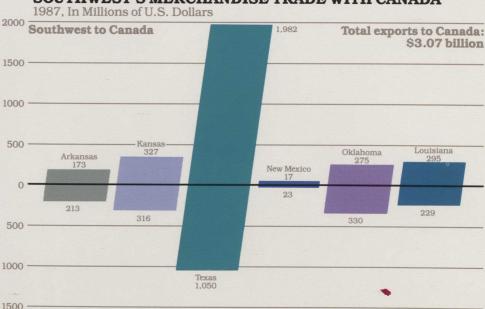
Exports to Canada, which support some 50,000 jobs in Texas, 8,000 in Kansas, 6,500 in Oklahoma, 6,000 in Louisiana, 4,000 in Arkansas and 400 in New Mexico, have expanded greatly in recent years.

## Texas

Texas sold Canada some \$2 billion worth of goods in 1987 and bought over \$1 billion worth.

The two-way exchange included both sophisticated equipment—Texas sent Canada \$313 million worth of communications and electronics equipment and Canada sent Texas \$61 million worth—and basics—Texas exported

#### SOUTHWEST'S MERCHANDISE TRADE WITH CANADA



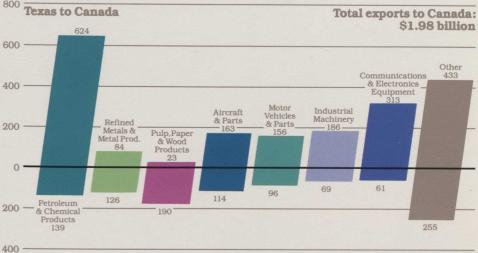
Canada to Southwest

2000

Total imports from Canada: \$2.16 billion

#### **TEXAS' MERCHANDISE TRADE WITH CANADA**

1987, In Millions of U.S. Dollars



Canada to Texas

600

Total imports from Canada: \$1.05 billion

All figures are in U.S. dollars, converted from Canadian dollars using the exchange rate of 1.326. Statistics on world trade are from U.S. Department of Commerce; all others are from Statistics Canada.

\$624 million worth of chemical and petrochemical products and imported \$139 million worth.

Other major exports to Canada included \$186 million worth of industrial machinery, \$163 million worth of aircraft and parts, \$156 million worth of motor vehicles and parts, \$82 million worth of industrial control and professional and scientific equipment and \$59 million worth of agricultural products.

Texas bought from Canada \$114 million worth of aircraft and parts and \$96 million worth of motor vehicles and parts, \$126 million worth of refined metals and basic metal products and \$115 million worth of pulp and paper.

## Arkansas, Kansas, Louisiana, New Mexico and Oklahoma

These five states did \$2.2 billion worth of business with Canada in 1987.

Together they sold \$156 million worth of industrial machinery and \$75 million worth of motor vehicles and parts to Canada.

They sold a variety of other things

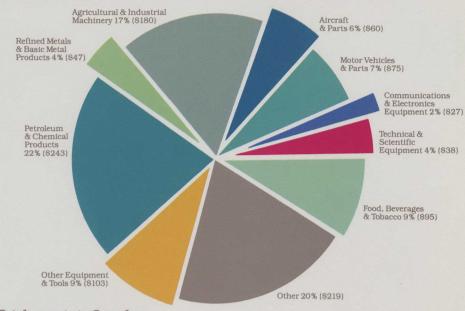
For example, Arkansas sold \$17 million worth of air conditioning and refrigeration equipment; Kansas sold \$41 million worth of aircraft and parts; Oklahoma sold \$21 million worth of technical and scientific instruments and equipment; Louisiana sold \$82 million worth of chemical products; and New Mexico sold \$3 million worth of heavy machinery and \$3 million worth of fruits and vegetables.

Canada sold Arkansas \$103 million worth of aluminum and alloys. It sold Kansas \$133 million worth of aircraft and parts; Oklahoma, \$170 million worth of motor vehicles and parts; Louisiana, \$36 million worth of chemical products; and New Mexico, \$6 million worth of heavy machinery.

For more information on the Southwest's trade with Canada, please contact: Canadian Consulate General, St. Paul Place, Suite 1700, 750 North St. Paul Street, Dallas, Texas 75201, Tel.: (214) 922-9806.

#### SOUTHWEST'S MERCHANDISE EXPORTS TO CANADA

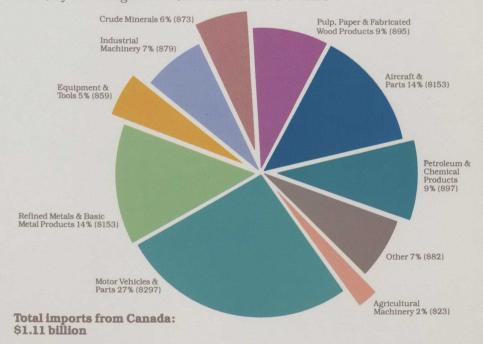
(Arkansas, Kansas, Louisiana, New Mexico and Oklahoma) 1987, By Percentage of Total, In Millions of U.S. Dollars



Total exports to Canada: \$1.09 billion

#### SOUTHWEST'S MERCHANDISE IMPORTS FROM CANADA

(Arkansas, Kansas, Louisiana, New Mexico and Oklahoma) 1987, By Percentage of Total, In Millions of U.S. Dollars



# The Prosperous Future

With the implementation of the Canada-United States Free Trade Agreement, trade between the two countries has entered a new and significant phase.

The tariffs of both countries have been falling for over a quarter of a century, and last year over 70 percent of the flow was tariff-free. The remaining ones will be eliminated by 1998.

In 1987 almost \$165 billion worth of goods and service transactions moved across the border, and the current account between the two countries was in essential balance.

This is a cause for optimism—past growth reflected the dropping of trade barriers, and the prospects for new, accelerated growth are brighter than ever.

The Free Trade Agreement will serve as a model for other trading nations around the world. Canada and the United States are active members of the General Agreement on Tariffs and Trade (GATT)—part of the multinational, interdependent trading world—and they are committed to further reductions in tariffs and non-tariff barriers around the globe. They are committed to opening up all markets to the products of other nations and to the extension of GATT regulations to cover the rapidly growing trade in services.

Trade is not a contest with a loser to match every winner. It is the foundation on which prosperity in the late 20th century is built. Conducted openly and freely, it benefits everyone. Canada and the United States are good examples of the virtues and profits of such cooperation.

Canada and the United States have worked together to achieve much in the past. They are looking forward to the future