Canada
Pennsylvania’s Natural Export Destination
The Canadian Landscape

- Canada is the second largest country in the world with a population of just under 32 million.
- The economy is roughly $1/10^{th}$ of the U.S. economy.
- Canada is highly urbanized (nearly 90% of the pop living in urban areas) with 4 main urban areas: Golden Horseshoe in Ontario, Montreal and area, Vancouver and area, and Calgary/Edmonton.
The Canadian Landscape:  
5 Distinct Markets

- Western Canada – Vancouver and area
- Calgary/Edmonton & the Prairies
- Ontario
- Quebec
- Atlantic Canada
Why Canada?

- Proximity
- Common Language
- Relative Ease of Transport

**NAFTA Partner:**

“NAFTA is the world's largest trade bloc with a gross domestic product of US$11.4 trillion, about one third of the world's total.”
NAFTA IMPACT

- FTA: Canadian Implementation: 12/30/1988
- FTA: US Implementation January 1, 1989
- NAFTA trilaterally implemented January 1994
- January 1, 1998: virtually all tariffs on Canada- U.S. trade in originating goods were eliminated
- Everyday more than $1 B worth of goods cross over the Canada US Border
- Canada sales to PA from 1990 to 2003 increased 113%
- PA sales to Canada from 1990 to 2003 increased 77%
Pennsylvania & Canada

- Canada is Pennsylvania’s top trading partner. Pennsylvania exported over $5.8 billion worth of goods to Canada in 2003.
- Approximately 36% of Pennsylvania’s exports go to Canada.
- Pennsylvania is among the top ten U.S. States Exporting to Canada.

Source: US Department of Commerce
Trade: PA & the Provinces

Destination: Canada

- Ontario: $4B
- Quebec: $.5B
- Manitoba: $.2B

Total: $5.3B

Destination: Pennsylvania

- Ontario: $4B
- Quebec: $2B
- Alberta: $1B

Total: $8.3B

PA Trade Deficit: $3.0B

Source: Industry Canada
Economic Indicators

- State of the Canadian Economy
- Fiscal & Monetary policy
- Economic Challenges
- Forward Indicators – Political and Economic Changes Ahead
Fiscal Policy

- Steady GDP Growth
- Strong Fiscal Management
- Surplus in Times of Slowdown
- One of the strongest of the G7 Economies
Dollar stabilized at approximately 79 cents U.S.

Inflation stable within the Bank of Canada's 1-3 percent target band

Low interest rates
Economic Challenges

- SARS
- Mad Cow Disease
- Power Outage
- Positive Signs of Growth
Forward Indicators

- Political Changes
- Potential Economic Impact:
  - Banking Deregulation
  - Potential Opening to U.S. and International Banks
  - Emphasis on Strengthening U.S./Canada Relationship
Thriving Sectors

- Manufacturing Capacity at 4 year high
- Food service sales are forecasted to increase by 2.5% in 2005.
- Hardware, lawn and garden products increased by 11% in June of 2004

Manufacturing
Construction
Food Industry
Consumer Goods
Additional Opportunities

The following sectors are also poised for above-average growth:

- Biotechnology, aircraft and parts, and business services
- The rapid diffusion of new information technologies, and the trend of large corporations to outsource professional functions
- Consumer products
Office Services

- Customized Service Based on your Export Goals
- Agent, Distributor and End User Searches
- Regulatory Information
- In Market Appointment Setting
- Trade Show Support
- Catalog Event and Web Based Promotion
Contact Information

Joe Burke
Office of International Business Development
Department of Community & Economic Development
717-720-7366
jburke@state.pa.us

The Council of Great Lakes Governors
Pennsylvania’s Authorized Representative in Canada
25 Adelaide Street East, Ste. 610
Toronto, ON M5C 3A1
Tel: 416 368-6956 Fax: 416 368-2547
Email: trade@cglg-canada.com
Web: www.cglg-canada.com