



## CANADA

**Capital:** Ottawa

**Population: (2009 est.)**  
Canada: 33.75 million  
Virginia: 7.88 million

**Government Type:** Confederation  
with Parliamentary Democracy

**Chief of State:**  
Queen Elizabeth II  
Represented by Governor General  
Michaëlle Jean

**Head of Government:**  
Prime Minister Stephen Harper

**Languages (Official):** English, French

**Land Size:**  
3,855,102 Square Miles  
(Slightly larger than the U.S.)



(Canada Map. CIA)

**Currency:** ([www.oanda.com](http://www.oanda.com))  
Canadian Dollar (CAD)  
1US\$ = 1.06 CAD (June 2010)

### DID YOU KNOW?

- Roughly 80% of Canada's exports are purchased by the United States. (World Trade Atlas)
- Canada is the United States' largest foreign supplier of energy, including oil, gas, uranium, and electric power.
- The United States and Canada share the world's longest common border at 5,525 miles in length.
- The United States is the largest foreign investor in Canada and the most popular destination for Canadian investment.
- Approximately 75% of Canada's population live within 90 miles of the U.S. border.
- Since January 2007, all U.S. citizens traveling by air to and from Canada must have a valid passport to enter or re-enter the United States. U.S. citizens traveling between the United States and Canada by land or sea (including ferries) have been required to present a valid passport or other documents since January 2008. (CIA)
- Due to the global financial crisis, U.S. exports to Canada contracted 21% in 2009, and were valued at \$204 billion. Canada was the United States' top export market for goods in 2009, and is the second largest market for U.S. service exports (behind the United Kingdom). (World Trade Atlas)
- Vancouver, British Columbia is the third largest film and television production center in North America after Los Angeles and New York, and has been coined "Hollywood North". (CanadianEncyclopedia.com)



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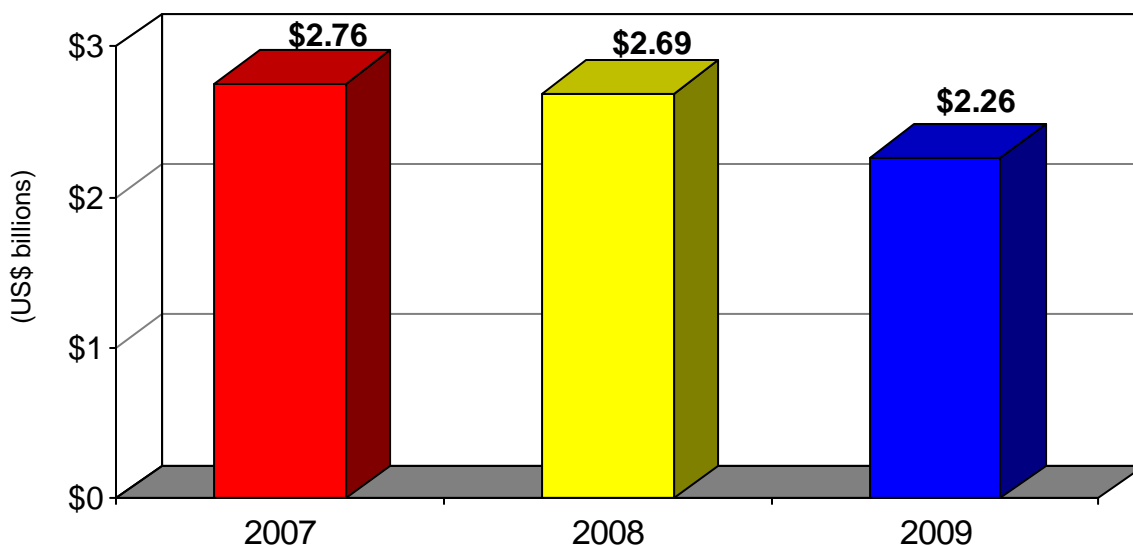
### ECONOMIC OUTLOOK

Canada's economic growth is largely dependent on exports to the United States, and the slump in demand in the U.S. has had negative implications for Canada's economy. Nonetheless, Canada appears to be recovering more quickly than other major economies in the G-7 group of countries. After having rolled out a fiscal stimulus plan that injected almost \$30 billion into the economy through 2009, hundreds of thousands of jobs have been created, and the economy has posted solid growth in 2010. Due to improving fundamentals, Canada's Central Bank has begun raising short term interest rates.

According to the International Monetary Fund (IMF), Canada was in a better position than many countries to weather the global financial crisis due to several key factors. Perhaps most important, Canada has a track record of sound fiscal policy, resulting in consistent balanced budgets over the last decade. In that same time period, successive governments have cut the federal debt load in half, and Canada now boasts the lowest debt-to-GDP ratio of the G7 nations. Canada's fiscal stimulus plan is praised for being implemented quickly following the global economic downturn, and has helped prop up domestic demand. Unlike the situation in the United States, the Canadian banking system was relatively well capitalized at the outset of the current crisis, and faced much less exposure to "toxic" real estate assets. Consequently, credit markets in Canada have not frozen up to the extent seen in the U.S. and Europe, and Canada's economy should be in a strong position to grow once demand rebounds in its major export markets.

(IMF)

### VIRGINIA EXPORTS TO CANADA



(Source for Graph: World Trade Atlas)



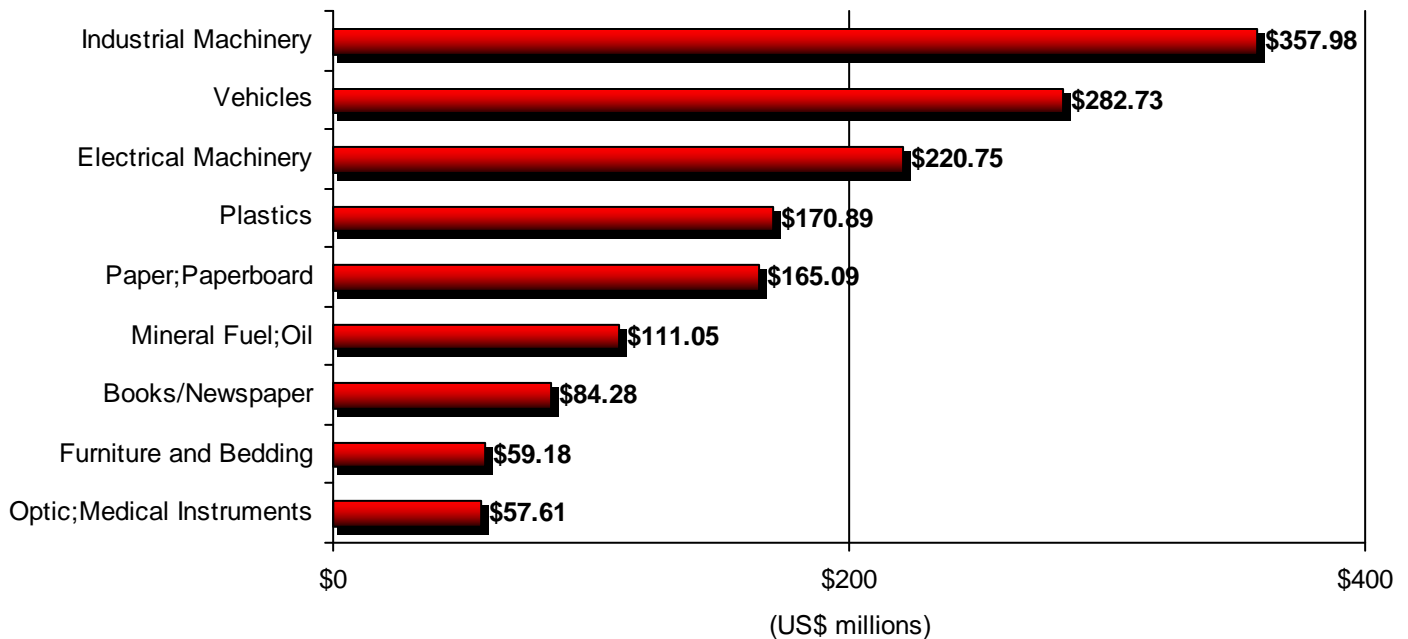
### **VIRGINIA EXPORTS TO CANADA**

The automotive sector dominates trade between the United States and Canada and between Virginia and Canada. Not surprisingly, Michigan is consistently the top exporting state of vehicles and vehicle parts to Canada. In 2009, industrial machinery eclipsed vehicles as the top export commodity group to Canada from both the United States and Virginia, reaching values of \$31 billion and \$357 million, respectively.

Sales of industrial machinery to Canada via Virginia increased almost 2% in 2009 and were led by printing machinery, compressors, heat exchange units, hand/pneumatic tools, centrifuges, and industrial filters. Virginia’s exports of electrical machinery to Canada increased by 1% in 2009, consisting primarily of telephony apparatus, insulated wires and cables, broadcast transmission equipment, electrical transformers/converters/inductors, and electric motors and generators.

Export commodity groups that experienced the strongest growth in sales to Canada from Virginia in 2009 included articles of aluminum, soap/wax/dental preparations, organic chemicals, glass and glassware, pharmaceutical products, ships and boats, woven apparel, inorganic chemicals, and photographic/cinematographic equipment.

### **VIRGINIA’S TOP EXPORTS TO CANADA - 2009**



(Source for Text and Graph: World Trade Atlas)



## VEDP TRADE EVENTS

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### **Group Market Visit to Canada (Montreal and Toronto): October 18-22.**

For more information contact Ralph Torning, International Trade Manager, (434) 582-5182, [rtorning@yesvirginia.org](mailto:rtorning@yesvirginia.org).

**Other Services:** The VEDP offers a number of export-related services to Virginia businesses, including independent market visits and market research by our Global Network of in-country consultants. These services are available to all Virginia exporters. For more information, please visit our website: [www.exportvirginia.org](http://www.exportvirginia.org).

## ADDITIONAL RESOURCES

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Statistics Canada: <http://www.statcan.gc.ca>

Industry Canada: <http://www.ic.gc.ca/eic/site/ic1.nsf/eng/home>

Canadian Importers Database: [http://strategis.ic.gc.ca/cgi-bin/sc\\_mrkti/cid/cid\\_e.cgi](http://strategis.ic.gc.ca/cgi-bin/sc_mrkti/cid/cid_e.cgi)

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