

Canada

On Wednesday, April 23, 2014 Canadian Consul General Roy Norton spoke to the state representatives of the Mid-America Freight Coalition at the Palmer House in Chicago, Illinois.

These are extracts from Consul General Norton's remarks.

- Until five weeks ago, I was based in Detroit, representing Canada in Michigan, Ohio, Indiana, and Kentucky. Michigan, perhaps not surprisingly, is my country's number one export destination in the entire world. We sell more to Michigan than to any country—except the United States as a whole.
- I now represent Canada in Illinois, Missouri, and Wisconsin. My lucky streak continues; Illinois is Canada's second most important export destination worldwide. We export more to the United States and more to Michigan than we do to Illinois. But that's it. China, with its almost 1.4 billion people, buys half as much from Canada as the 13 million people of Illinois do.
- The ten states of the Mid-America Freight Coalition buy 44 percent of everything that Canada sells to the United States. Your ten states buy slightly more than a third of everything we sell to the world. I hope you all feel really important—because to Canadians, the businesses and consumers in the Coalition's ten states are, by far, the most important we have.
- It might surprise you that for the Coalition states, Canada is also the best customer.
- One-third of everything your ten states sell to the world is bought in Canada. For all ten Coalition states individually, Canada is the best customer—usually by a country mile. For every Coalition state, Canada is the most important two-way trading partner. Again, usually by a big margin.
- So, we're clearly very important to one another. And all that trade has to be moved. Most of it by truck. A significant portion by rail. Some by water. In other words, freight and infrastructure capacity to move more than a quarter trillion dollars in trade each year between the Coalition's ten states and Canada should be of great importance to everyone in this room.
- One indicator of the depth and extensiveness of supply chain relationships—a good proxy for the extent to which our two economies are integrated—is the fact that 25 percent of everything Canada sells to the United States consists of US content in the first instance. The comparable figure for Chinese exports to the United States, by the way, is 4 percent. And the figure for Mexican exports to the United States is 40 percent—which perhaps is a good segue into NAFTA.
- Since 1993, Mexico's importance to Canada has vastly grown. Pre-NAFTA, Mexico was our 13th best customer. Now they're our 5th best. Pre-NAFTA, Mexico was our 4th most important source of imports (after the United States, Japan, and the United Kingdom). Now Mexico is third (after the United States and China). Our trade with Mexico has grown by 800 percent in both directions—admittedly over a relatively small base.

