

DO YOU KNOW WHY CANADA IS IMPORTANT TO THE UNITED STATES?

May 18, 2010: Adapted from the US Embassy website at:

http://canada.usembassy.gov/content/textonly.asp?section=can_usa&document=trade

In area, Canada is the 2nd largest country in the world, after Russia. Canada has a population of 32 million—about the same as New York and Pennsylvania combined. 75% of Canada's population lives within 100 miles of the US border.

Hundreds of thousands of US citizens reside in or visit Canada each year. Canada and the United States share history, border, coasts, atmosphere, wildlife and values.

Canada and the United States are NAFTA partners and participate in a range of multilateral organizations including the UN, NATO, the G7/8, OAS, and APEC.

Canada and the United States work closely on issues as diverse as global warming, controlling weapons of mass destruction and missile non-proliferation, peacekeeping, development, and the promotion of democracy and open markets throughout the world.

33,000 U.S.-bound air passengers were re-routed to Canadian airports on 9/11. Virtually all were hosted in Canadian communities and military bases for several days. Gander, Newfoundland (pop. 10,000) had 6,656 guests for 3-4 days.

In March 2005, leaders of Canada, Mexico and U.S. launched a new partnership – the Security and Prosperity Partnership of North America (SPP) with the goal of developing new avenues of cooperation that will make North American open societies safer and more secure, businesses more competitive and economies more resilient.

ENERGY

Canada and the U.S. have the world's largest bilateral energy relationship. In 2006, Canada was the single largest source of oil imports to the U.S. – a bigger source than Saudi Arabia. Canada exported 2.3 million barrels per day of crude oil and refined products to the U.S.A. in 2006. By a wide margin, Canada is the #1 supplier of imported energy to the U.S. – meaning energy in all forms including oil, petroleum products, natural gas, electricity and uranium.

Canada is the world's 7th largest producer of oil and 2nd largest holder of proven oil reserves (after Saudi Arabia). Canadian oil sands contain 1.7 to 2.5 trillion barrels of oil. This would be significantly more than Saudi Arabia's reserves, if Canada's non-conventional oil sands were measured on the same scale as Saudi Arabia's conventional oil. Canada supplies some 30% of the imported energy consumed by the United States.

In 2006, Canada supplied about 17% of the United States' imports of oil, 86% of its imports of natural gas, and virtually all of its imports of electric power, making Canada by a wide margin the United States' leading supplier of imported energy as measured in all forms.

20% of the world's fresh water supply is located in Canada.

DEFENSE

Canada's contribution to the security of North America has a vital bearing on U.S. national security. Canada and the US have been close allies since 1917. US and Canadian defense forces have stood side-by-side during two World Wars, in Korea, the Persian Gulf, Kosovo, Afghanistan and Haiti.

A NATO ally, Canada is also the only country that directly contributes to the defense of the continental United States, through NORAD (North American Aerospace Defense).

Canadian contributions to Afghanistan have played a critical, long-term role in ensuring that Afghanistan does not relapse into a failed state and terrorist-safe haven. Some 2,500 Canadian soldiers have worked since 2003 to ensure a safe climate for reconstruction and development in southern Afghanistan. Canada is in charge of the Provincial Reconstruction Team in the Kandahar area.

ECONOMY/TRADE

The US and Canada are each other's largest trading partners – almost US \$1.5 billion in merchandise trade crosses the Canada-US border every day.

US two-way trade with Canada was valued at \$577 billion in 2006 and Canada was the largest export market for 34 of the 50 US states.

The trade market in Canada for US goods is larger than all 27 members of the European Union combined. U.S. trade with the province of Ontario alone is bigger than with all of Japan.

Canada is the largest foreign market for U.S. goods and services. Millions of US jobs depend on Canadian imports from the US.

Since the implementation of NAFTA in 1994, total two-way merchandise trade between the US and Canada has grown by 120%. NAFTA has a strong record of success. Unemployment rates have fallen in both Canada and the United States under NAFTA.

The 2006 KPMG Competitive Alternatives International Costs is the fifth consecutive report of its kind ranks Canada as a lowest-cost G7 country in which to do business (7th consecutive year).

ENVIRONMENT

The United States and Canada have one of the world's oldest and most effective environmental partnerships, with more than 30 government agreements between the two countries.

Principal agreements are the Great Lakes Water Quality Agreement – under which Canada and the U.S. have been working together since 1972 to reduce and virtually eliminate identified persistent toxic substances from the lakes – and the 1991 US–Canada Air Quality Agreement.

Other agreements exist on the transboundary movements of hazardous wastes, on research and development and to respond to environmental emergencies along the two countries' shared 5,500 mile-long border.

BORDER

Canada and the United States of America share the longest common border between any two countries that is not militarized or actively patrolled. The terrestrial border between the United States and Canada is 5522 miles long.

There are over 200 million border crossings each year.

The border sees movement of almost US\$1.6 billion in two-way commercial traffic per day.

There are about 140 land crossings with customs stations on the undefended border. About 50 of these are relatively obscure such as those on small country roads that wind across open grasslands or through uncleared forests and across the boundary.

The number of border agents along the northern border has almost tripled from 340 agents in 2001 to 980 agents today. Customs and Border Protection has also more than doubled the number of inspectors from 1,615 to 3,391.

The number of actual illegal border penetrations along the U.S.-Canada border is small in comparison to daily arrests along the US-Mexico border...resources have been significantly increased since 9/11 from approximately 350 agents to almost 1,000 agents...along the U.S.-Canada border.

Under the 1995 Canada - United States accord on our shared border, Canada and the United States are cooperating to develop a vision for the border that develops and preserves its open character while protecting our communities.

The Intelligence Reform and Terrorism Prevention Act of 2004 requires that by January 1, 2008, travelers to and from the Caribbean, Bermuda, Panama, Mexico and Canada have a passport or other secure, accepted document to enter or reenter the United States.

The U.S. is moving aggressively to comply with the new rule and to educate American citizens about its requirements. In fiscal year 2006, the US issued between 12.2 to 12.3 million passports to American citizens and is experiencing a passport application rate that is up over 70 percent of what it was just two years ago. In 1996, there were 35 million U.S. passports in circulation. In 2006, there are 70 million U.S. passports in circulation.