



## FACT SHEET: The Canada-Florida Economic Relationship

### **Canada: A Solid and Consistent Economic Partner**

- Canada and the United States are each other's **largest trading partner**
- Canada is Florida's **number one** overall economic partner:
- **Number one** source of in-bound tourism;
- **Number one** source of foreign direct investment
- Florida's overall economic relationship with Canada results in approximately **90,000 direct/indirect jobs** in the sunshine state (or 70,000 to 75,000 jobs if industry overlapping employment is not factored); with a two-way trade totaling **\$7.2 billion**.
- If indirect exports via other states were included in trade rankings, Canada would likely top Brazil as the **top destination of Florida exports**.
- Florida's tourism revenue and tourist "bed taxes", enhanced by Canadian tourist contributions to the tune of **\$1.4 billion** in 2003, allows Florida to remain one of the few states without a personal income tax; thus lowering local tax burden, now ranking a resident-friendly 40<sup>th</sup> in the nation.

### **Tourism: Loyalty Counts!**

- Canada is Florida's **number one** source for tourism, with nearly 1.9 million Canadians expected to visit the state in 2004 and increasing to more than 2.1 million by 2006.
- Canadian tourists top the list as Florida's most important tourism market, accounting for approximately **30%** of all international person visits in 2003; resulting in **\$274 million** in **total tax revenue impact** benefiting the state.

- Florida's **most loyal** tourism customers are Canadian tourists - In 2001 and 2002 when Florida's tourism sector struggled as a result of the September 11 attacks, Canadian **tourism actually increased** rather than decrease.
- 73% of Canadian "snowbirds," whose lengthy stays can average 60 nights or more, **consistently and overwhelmingly favor Florida over other travel destinations**; supporting parts of the state which may not traditionally receive the lion share of the tourism market such as the Panhandle and Ft. Lauderdale.
- In 2002, when the impact of the September 11 attacks was at its highest in Florida, Canadian visitors supported 23,000 Floridian jobs and generated total tax revenues of \$274 million.
- It is **expected** that **two million Canadians will visit Florida in 2004** - more than the UK, Venezuela and Germany combined - with expected 2004 spending between \$1.5-1.7 billion in Florida and significantly fueling the state's economy.

### **Trade: A Harmonious Relationship**

- The trade market in Canada for US goods is larger than all 25 members of the European Union combined.
- Canada and Florida share a complimentary trade relationship, particularly evidenced by the agricultural industry, resulting in a trade harmony.
- Canadian businesses - i.e. Canadian Aerospace Electronics (CAE) among others - have helped to spur growth through significant financial investment in Florida's high-tech sector, which includes the "High-Tech Corridor" traversing from Florida's west to east coast and the "Internet Coast" stretching from Miami to Palm Beach.
- Canada's readiness in fostering trade with the Southern Hemisphere via South Florida as its hub further solidifies Florida's export gateway position.
- Canada is Florida's largest foreign investor, with Canadian majority-owned affiliates holding close to \$5 billion in assets in 2002 – **more than 16%** of all foreign investment in Florida.