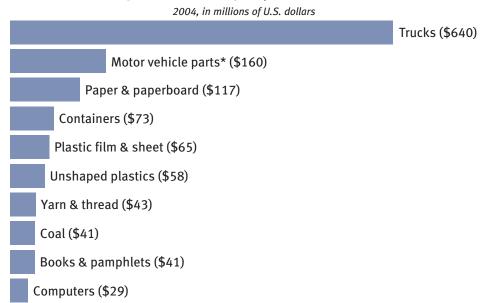
VIRGINIA

- >> 141,000 Virginia jobs are supported by Canada-U.S. trade
- ➤ Total Canada-U.S. merchandise trade: \$411 billion
- ➤ Canada-U.S. trade supported 5.2 million U.S. jobs
- ➤ Clothing Canadians—Virginia supplied its neighbor with \$116 million in textiles
- ➤ \$359 million in Canadian petroleum and coal products met Virginia's energy needs last year, accounting for 13% of the state's total Canadian imports

Virginia's Leading Exports to Canada

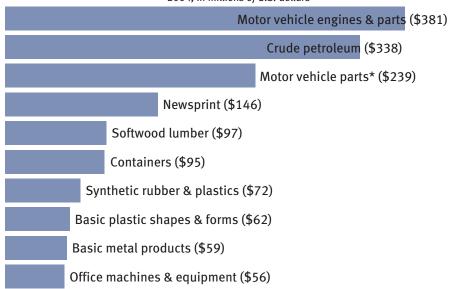


*not including engines

Total Virginia exports to Canada: \$2.3 billion

Virginia's Leading Imports from Canada

2004, in millions of U.S. dollars





A high priority relationship...

Canada and Virginia enjoyed a strong trade relationship last year, with bilateral exchanges totaling \$5.2 billion. Canada was the state's leading export market, purchasing twice as many goods from Virginia than the state's next largest trading partner. Moreover, the Gateway to the South increased trade with Canada by 10% or \$481 million in 2004.

Full speed ahead...

Transportation drove Canada-Virginia trade last year, generating \$1.6 billion in revenue. \$903 million worth of Virginian transportation goods flowed north, providing Canadians with \$640 million in trucks and \$160 million in motor vehicle parts (excluding engines). Canada reciprocated, supplying the Old Dominion State with \$743 million in transportation goods, including \$381 million in motor vehicle engines and parts, and \$239 in motor vehicle parts (excluding engines). In 2004, revenues from the transportation sector increased by \$82 million from the previous year.

Forests finance trade...

The Canada-Virginia trade relationship benefitted from an abundance of natural resources found in each region — \$578 million in products exchanged in 2004. Virginia shipped \$141 million in forest products to Canada led by \$117 million in paper and paperboard. Canadian forest products worth \$437 million included \$146 million in newsprint and \$97 million in softwood lumber. Overall, the forest products sector generated more than a tenth of bilateral trade last year.

Chemically balanced...

Cross-border chemical exchanges totaled \$448 million—28% more than the previous year. Chemicals generated \$261 million in revenue and represented the Old Dominion State's second largest Canadabound export sector. Virginian plastic film and sheet, and unshaped plastics were also in high demand by Canadians, bringing in \$65 million and \$58 million respectively. These sales were reciprocated by Virginian purchases of \$187 million in Canadian chemicals, led by the \$72 million in synthetic rubber and plastics, and the \$62 million in basic plastic shapes and forms.

Gateway to the south, great white north...

The diverse attractions of George Washington's home state enticed many Canadians in 2004: a total of 436,900 Canadian trips generated \$68 million in tourism revenue for the state. In turn, Virginians headed north, making 278,600 visits and generating \$163 million for the Canadian economy.

July 2005

Virginia's Merchandise Exports to Canada 2004, in millions of U.S. dollars		Virginia's Merchandise Imports from Canada 2004, in millions of U.S. dollars			
Transportation	\$903	Transportation	\$743		
Chemicals	\$261	Forest Products	\$437		
Household Goods	\$185	Energy	\$359		
Forest Products	\$141	Equipment	\$239		
Equipment	\$140	Chemicals	\$187		
Machinery	\$117	Metals	\$178		
Textiles	\$116	Agriculture	\$162		
Metals	\$96	Telecommunications	\$119		
Agriculture	\$75	Machinery	\$93		
Other	\$289	Other	\$349		

Canada-Virginia Success Stories

PRIMUS Telecommunications Canada Inc., a subsidiary of McLean, Virginia-based PRIMUS Telecommunications Group, Incorporated (Nasdaq:PRTL), is the largest alternative communications carrier in Canada with over 900,000 retail customers. The company has a fully redundant and diverse SONET network that extends across Canada from Quebec City to Victoria. It consists of Nortel DMS 500 switches with international connectivity through its parent company's global network and includes ATM and IP nodes at major cities across the country.

General Dynamics Canada is a subsidiary of Virginia-based General Dynamics Corporation with locations in Ottawa and Calgary. The company is a leading defense contractor, manufacturing nuclear submarines, destroyers, amphibious assault vehicles, large commercial vessels, aircraft and defense systems for governments around the world. The Canadian subsidiary's products include the world's first digital tank firing control system, portable air traffic control systems and advanced remote-controlled land mine detection systems. General Dynamics Canada currently employs 1255 people.



Top Three Canadian Employers

- Groupe CGI Inc.
 - ★ American Management Systems, Inc.
- Royal Group Technologies Limited
 - ★ Royal Mouldings Ltd.
- 98362 Canada Inc.
 - ★ Eckerd Corporation

State jobs supported by Canada–U.S. trade: 141,000

Virginia Trade	
Exports to Canada:	\$2.3 billion
Imports from Canada:	\$2.9 billion
Bilateral trade:	\$5.2 billion
Largest export market:	Canada

Virginia Tourism	
Visits by Canadians:	436,900
\$ spent:	\$68 million
Visits to Canada:	278,600
\$ spent:	\$163 million

For more information on Canada's trade with Virginia, please contact:

Canadian Embassy

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Sources: Merchandise trade and tourism figures are from **Statistics Canada**, converted at the rate of US\$1.00=C\$1.3015. Job numbers are based on 2001 data from a 2003 study by **Trade Partnership Worldwide** commissioned by the Canadian Embassy. Canada's export ranking is from the **World Institute for Strategic Economic Research (WISER)**. All figures are in U.S. dollars. Figures may not add up due to rounding.