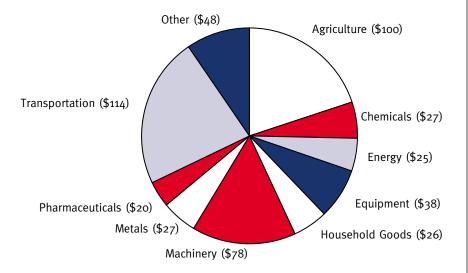


In 1989, the Canada-U.S. Free Trade Agreement went into effect, phasing out all tariffs and many non-tariff barriers to trade. Beginning in 1994, the North American Free Trade Agreement (NAFTA) opened the Mexican market to Canada and the United States. Evidence of the benefits of free trade are clear as two-way trade in goods, services and income between Canada and the United States totalled \$445 billion in 2001, the largest bilateral exchange in the world.

Nebraska's Merchandise Exports to Canada

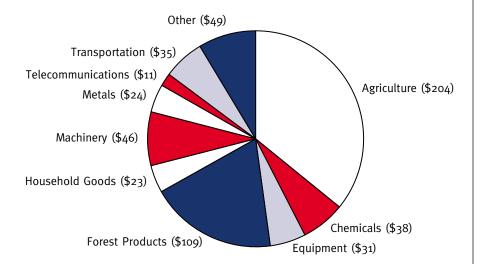
2001, in millions of U.S. dollars



Total Nebraska exports to Canada: \$503 million

Nebraska's Merchandise Imports from Canada

2001, in millions of U.S. dollars



Total Nebraska imports from Canada: \$570 million

Canada and the Cornhusker State engage in mutually beneficial trade. In 2001, Nebraska and Canada exchanged over \$1 billion in various products. Over 20% of all the state's exports went to Canada. The trading relationship between Canada and Nebraska provides vital products to consumers and industries on both sides of the border.

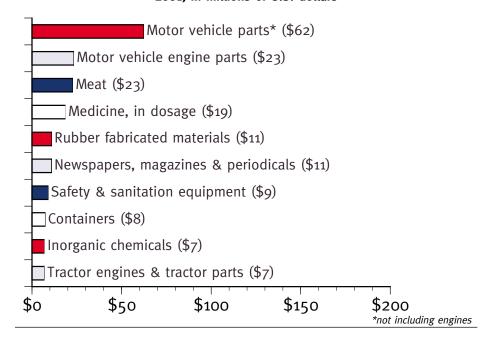
Canada buys Nebraska's transportation products. Over \$114 million in transportation products were sold to Canada, 23% of the state's total exports to Canada. Leading the transportation sector and total state exports was \$62 million in motor vehicle parts. Sales of motor vehicle engine parts supplied another \$23 million and aircraft parts, \$4 million.

Agriculture and machinery. Nebraska supplied Canadians with \$100 million worth of agricultural products. Exports of meat into Canada accounted for \$23 million. Machinery exports totaled \$78 million. Over \$7 million worth of tractor engines and tractor parts were exported into Canada. Construction and maintenance machinery added \$5 million, as did electric generators and motors.

Nebraska supplies pharmaceuticals and other Canadian needs. Of the \$20 million in pharmaceuticals Canada bought from the state, \$19 million was medicine in dosage. The remaining \$1 million was for medical, ophthalmic and orthopedic supplies. Other leading state exports to Canada included \$11 million worth of rubber fabricated materials, and another \$11 million in newspapers, magazines and periodicals. Over \$9 million worth of safety and sanitation equipment crossed the border, as did \$8 million in containers and \$7 million worth of inorganic chemicals.

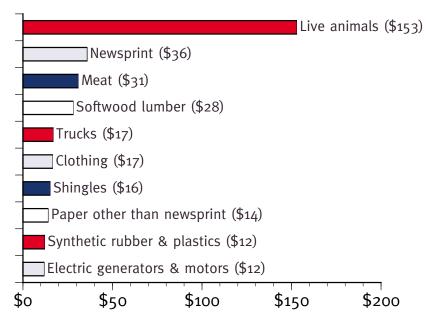
Nebraska's Leading Exports to Canada

2001, in millions of U.S. dollars



Nebraska's Leading Imports from Canada

2001, in millions of U.S. dollars



Canadian agriculture is a staple. The state bought over \$204 million worth of agricultural products. Imports of Canadian live animals totaled \$153 million. Meat imports added \$31 million to the exchange, with another \$4 million in wheat.

Nebraska buys Canadian forest products. Canada's forest industry supplied \$109 million worth of its products to Nebraska. This included \$36 million in newsprint and \$28 million worth of softwood lumber. Imports of shingles from Canada reached \$16 million and paper other than newsprint, \$14 million.

And various other Canadian products...

Nebraska imported a variety of goods from its northern neighbor, including over \$17 million in trucks. Another \$17 million worth of clothing and \$12 million in synthetic rubber and plastics and \$12 million in electric generators and motors rounded out the state's leading imports from Canada.

Tourism adds millions to the exchange. In 2001, Cornhuskers made over 72,000 visits to Canada and spent \$19 million. Canadians made over 70,000 visits and spent almost \$8 million. The tourism industry supports thousands of jobs on both sides of the border.

August 2002

All figures are in U.S. dollars. Merchandise trade and tourism figures are from Statistics Canada, converted at the rate of US\$1.00=C\$1.5484. Canada's export ranking is from the Massachusetts Institute for Social and Economic Research (MISER). Figures may not add up due to rounding.

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

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