

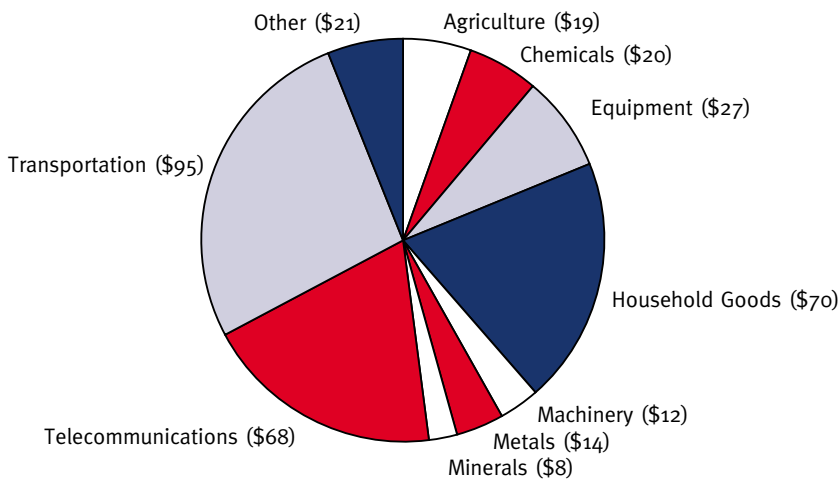


NEVADA

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 \$449 billion in 2001, the largest bilateral exchange in the world.

Nevada's Merchandise Exports to Canada

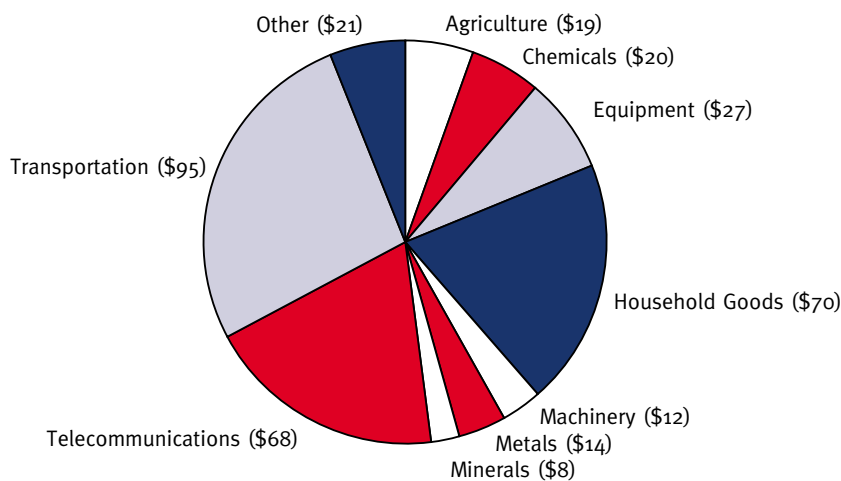
2001, in millions of U.S. dollars



Total Nevada exports to Canada: \$355 million

Nevada's Merchandise Imports from Canada

2001, in millions of U.S. dollars



Total Nevada imports from Canada: \$504 million

Canada is Nevada's largest export market. In 2001, they traded \$859 million worth of goods. Nevada exported \$355 million to its northern neighbor — more than it exported to its next ten largest trading partners combined. Canada exported \$504 million to the Silver State.

Transportation equipment leads Nevada's exports. The sale of transportation equipment totaled \$95 million and accounted for 27% of Nevada's exports to Canada. Dominating this sector was the export of \$84 million worth of aircraft. Other exports included \$3 million in aircraft parts and \$2 million in motor vehicle parts, excluding engines.

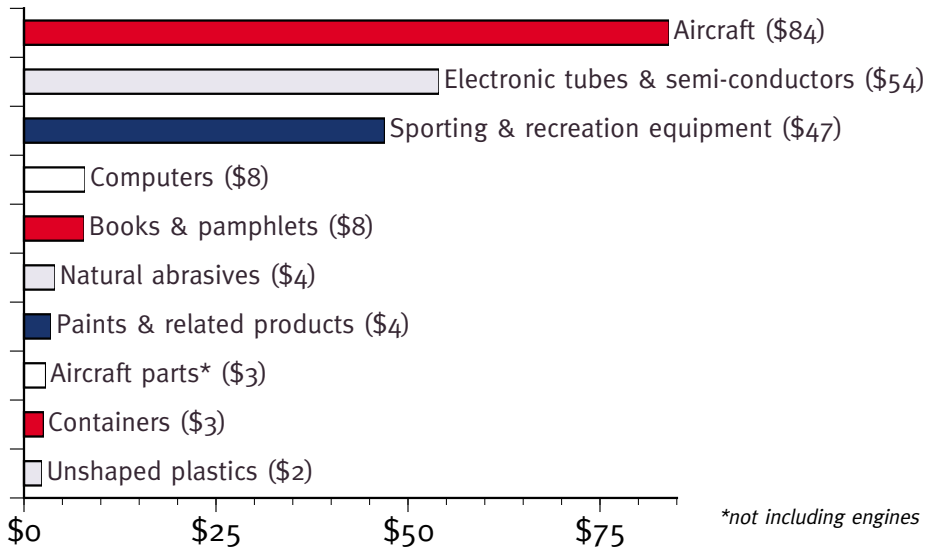
Nevada supplies Canada with a variety of household goods. The state exported \$70 million worth of household goods in 2001, a \$6 million increase from the previous year. Sales were led by \$47 million worth of sporting and recreation equipment. Recreation equipment sales comprised the state's third largest export. Other exports included \$8 million in books and pamphlets, \$4 million in other personal and household goods, and \$2 million in games, toys, and children's vehicles.

Canada supports the state's chemical industry. Canadian consumers purchased \$20 million worth of chemical exports in 2001. Nevada exported a variety of chemicals including \$4 million worth of paints and related products and \$2 million in unshaped plastics.

Nevada's telecommunications industry supplies Canada. Totaling \$68 million in 2001, Nevada's telecommunications exports accounted for nearly a fifth of the state's total exports. Sales included \$54 million worth of electronic tubes and semi-conductors and \$8 million in computers.

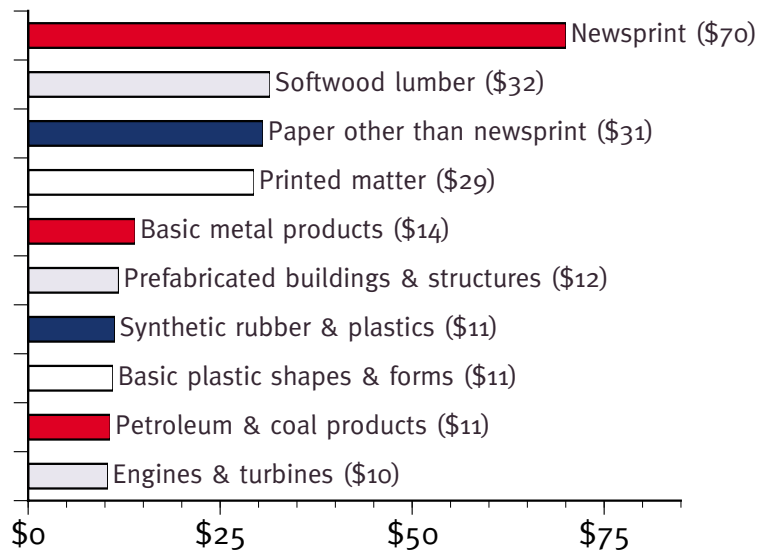
Nevada's Leading Exports to Canada

2001, in millions of U.S. dollars



Nevada's Leading Imports from Canada

2001, in millions of U.S. dollars



Canada supplies Nevada with forest products. The Silver State imported \$169 million worth of paper and lumber in 2001, accounting for a third of Canada's sales to the state. Imports included \$70 million worth of newsprint and \$32 million in softwood lumber—essential products that helped keep costs low in other sectors of Nevada's economy. Newsprint and softwood lumber were the state's number one and number two Canadian imports, respectively.

Nevada buys Canadian household goods. Canada sold \$56 million worth of household goods to Nevadans in 2001. Leading the sales were \$29 million worth of printed matter and \$8 million worth of clothing.

Canada equips the Silver State. Nevada purchased \$75 million worth of equipment, including \$9 million worth of heating and refrigeration equipment and \$8 million worth of office machines and equipment.

Tourism adds millions to the exchange. The draw of Nevada's tourist attractions is evident as Canadians made over 711,000 visits to Nevada in 2001 and spent over \$333 million. Nevadans made over 65,000 visits to Canada and spent nearly \$28 million.

July 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 Nevada, please contact:

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