

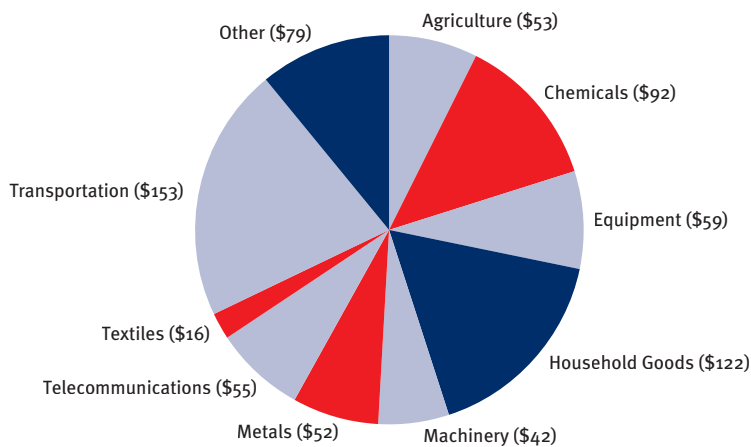


MARYLAND

In 1989, the Canada-U.S. Free Trade Agreement went into effect, phasing out all tariffs and many non-tariff barriers to trade. Evidence of the benefits of free trade are clear as two-way trade in goods and services between Canada and the United States totaled \$440 billion in 2002, the largest bilateral exchange in the world. Furthering the benefits of free trade, the 1994 North American Free Trade Agreement (NAFTA) opened the Mexican market to Canada and the United States.

Maryland's Merchandise Exports to Canada

2002, in millions of U.S. dollars



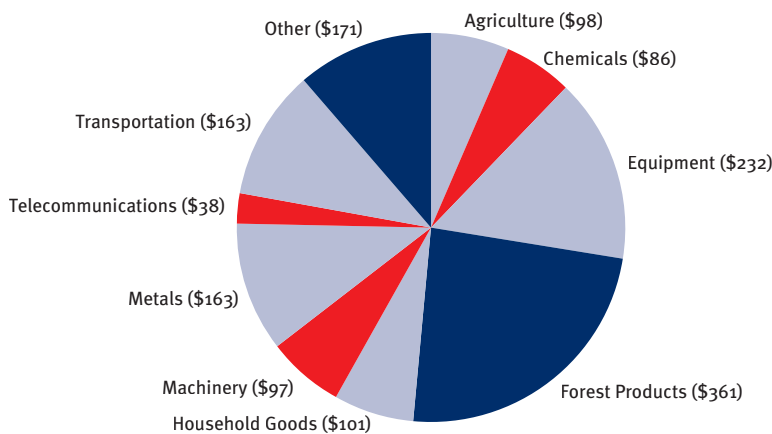
Total Maryland exports to Canada: \$724 million

Trade between Maryland and Canada was vital on both sides of the border. In 2002, the Old Line State sold nearly a fifth of its total exports to Canada — more than it sold to its next two largest export markets combined. Maryland exported \$724 million worth of goods and Canada supplied the state with \$1.5 billion, meaning the bilateral exchange of goods exceeded \$6 million per day on average. The trade provided essential products and helped support thousands of jobs on both sides of the border.

Transportation trade helped keep both economies running strong... Transportation drove up The Old Line State's revenues and accounted for Maryland's largest export sector in 2002. The state sold \$153 million worth of transportation equipment, a figure dominated by \$71 million in automobiles and \$65 million worth of trucks. Canada, in turn, supplied the state with \$163 million in transportation equipment, including \$28 million worth of motor vehicle parts, excluding engines.

Maryland's Merchandise Imports from Canada

2002, in millions of U.S. dollars



Total Maryland imports from Canada: \$1.5 billion

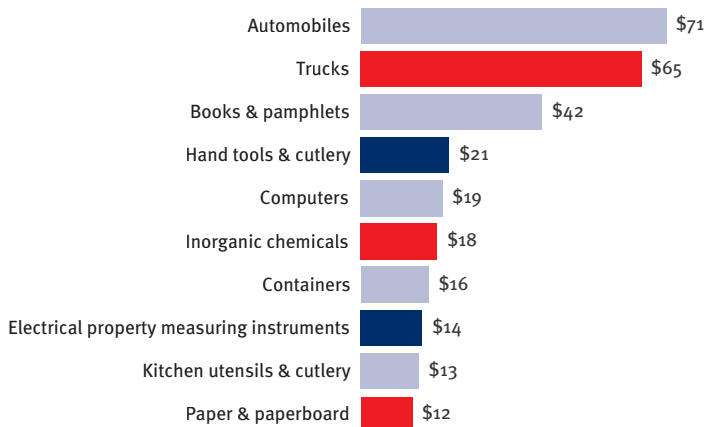
Canada purchased Maryland's household goods. The state supplied Canada with \$122 million worth of household goods — a 45% increase from the previous year. Sales included \$21 million worth of hand tools and cutlery and \$42 million in books and pamphlets.

Maryland and Canada have chemistry... The Old Line State supplied Canada with \$92 million in chemicals, including \$18 million worth of inorganic chemicals and \$11 million in pigments, lakes and toners.

Canada buys high-tech products from Maryland. Telecommunication sales totaled \$55 million this year led by \$19 million in computers and \$9 million in electronic tubes and semi-conductors.

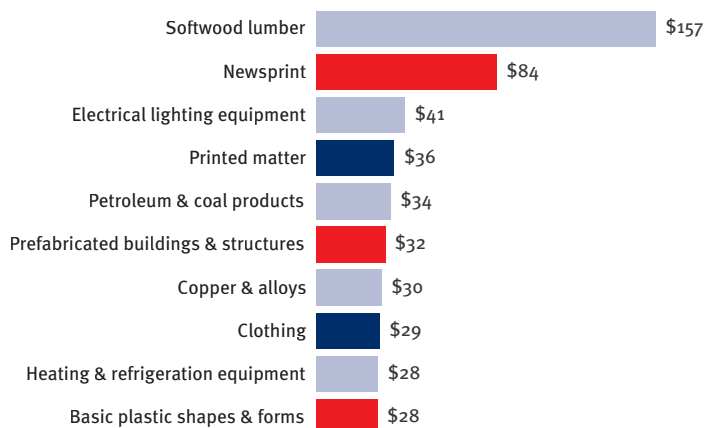
Maryland's Leading Exports to Canada

2002, in millions of U.S. dollars



Maryland's Leading Imports from Canada

2002, in millions of U.S. dollars



Canada sold \$361 million worth of forest products to the state in 2002. Sales were dominated by \$157 million in softwood lumber and \$84 million worth of newsprint. These essential products helped to keep costs low in other sectors of Maryland's economy.

Canada equipped the Old Line State. Maryland bought \$232 million worth of equipment from Canada, including \$41 million worth of electrical lighting equipment and \$28 million in heating and refrigeration equipment.

Agriculture sows the seeds of trade. Canada supplied the state with \$98 million worth of farm products. Sales included \$15 million in vegetables and \$12 million in cereals.

Travel and tourism add millions to the exchange... Canadians made over 144,000 visits to the Old Line State in 2002 and spent more than \$34 million. Residents of Maryland made in excess of 211,000 visits and spent over \$108 million.

Trade, Security & the Border

In 1996, Canada and the United States implemented a comprehensive Shared Border Accord to deepen cooperation on border management issues. Since the September 11th attacks on the United States, Canada and the United States have accelerated those efforts to protect the security and enhance the prosperity of their citizens. The two governments continue to expand threat information sharing, upgrade their crisis response abilities and ensure that the Canada-U.S. border remains secure with an efficient flow of trade. The 30-point Smart Border Action Plan, enacted in December 2001, takes aggressive steps toward building a smart border for the 21st century — a border open for business but closed to terrorists.

Top Canada-U.S. Land Border Crossings

Total imports from Canada, in billions of U.S. dollars

Windsor, Ontario	► Detroit, MI	\$66.6
Sarnia, Ontario	► Port Huron, MI	\$60.7
Fort Erie, Ontario	► Niagara Falls, NY	\$50.2
Lacolle, Quebec	► Champlain, NY	\$16.7
Lansdowne, Ontario	► Alexandria Bay, NY	\$11.0
Surrey, British Columbia	► Blaine, WA	\$9.9
Emerson, Manitoba	► Pembina, ND	\$7.7
St. Armand, Quebec	► Highgate Springs, VT	\$6.8
Coutts, Alberta	► Sweetgrass, MT	\$6.6
North Portal, Sask.	► Portal, ND	\$5.7

All figures are for 2002 and in US dollars. Merchandise trade and tourism figures are from Statistics Canada, converted at the rate of US\$1.00=C\$1.5704. 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 Maryland, please contact:

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