

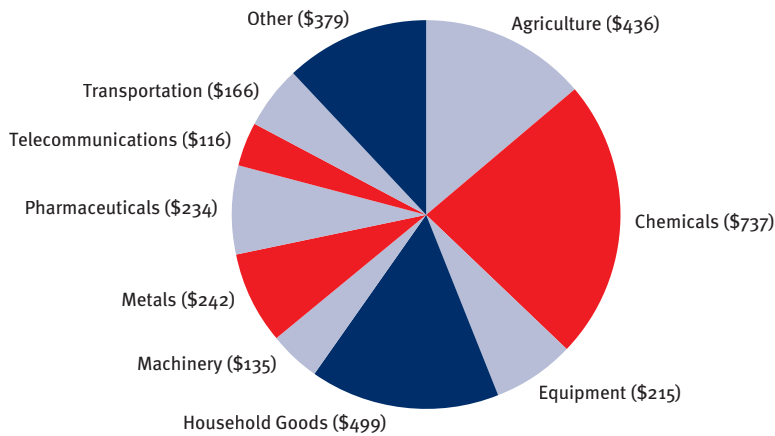


NEW JERSEY

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.

New Jersey's Merchandise Exports to Canada

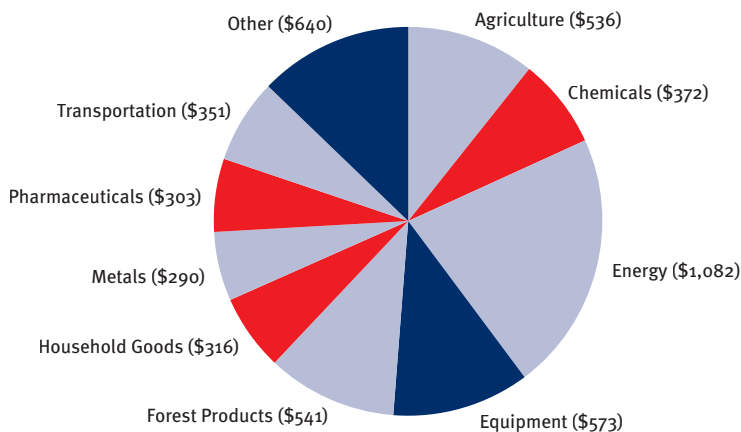
2002, in millions of U.S. dollars



Total New Jersey exports to Canada: \$3.2 billion

New Jersey's Merchandise Imports from Canada

2002, in millions of U.S. dollars



Total New Jersey imports from Canada: \$5.0 billion

Canada's trade with New Jersey was greater than the UK, Germany and Japan combined. In 2002, they traded \$8.2 billion worth of goods. New Jersey's exports to Canada totaled \$3.2 billion and its imports, \$5.0 billion.

The Garden State exported chemicals... Chemicals, worth \$737 million, accounted for almost a quarter of New Jersey's merchandise exports to Canada. Leading this category were organic chemicals worth \$221 million, followed by unshaped plastic products at \$173 million.

Agricultural trade continued to grow... New Jersey's exports of agricultural products amounted to \$436 million, \$49 million of which was orange juice and concentrates and \$26 million in sugars.

Metals from the Garden State. New Jersey's metal exports reached \$242 million. These exports included \$48 million in precious metals and alloys and \$36 million in aluminum, including alloys.

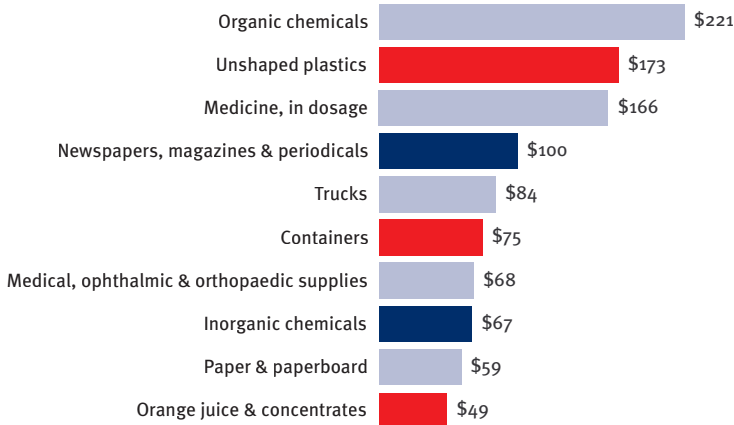
Reading material, clothing and furniture... Of the \$499 million worth of household goods exported to Canada, \$100 million was in newspapers and magazines, \$48 million in books, \$26 million in stationery and office supplies and \$16 million in home furnishings.

Canada supplied New Jersey with transportation. Canada sold \$351 million worth of transportation products to New Jersey, led by \$108 million in motor vehicle parts, excluding engines and \$64 million in automobiles.

Forest products were essential to trade... Of the \$541 million worth of forest products imported from Canada, \$222 million was in newsprint and \$75 million was in softwood lumber.

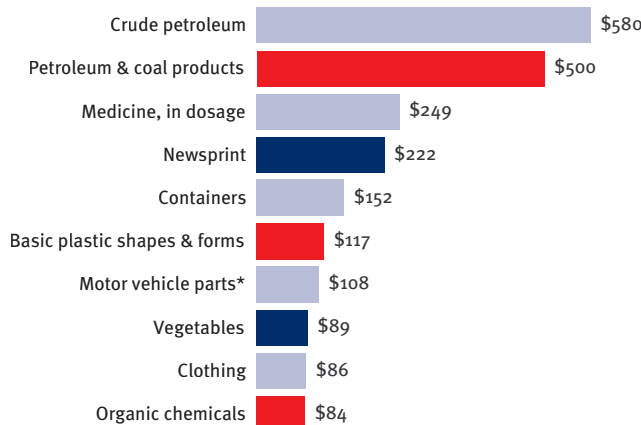
New Jersey's Leading Exports to Canada

2002, in millions of U.S. dollars



New Jersey's Leading Imports from Canada

2002, in millions of U.S. dollars



*not including engines

Energy... New Jersey bought just under \$1.1 billion worth of energy from Canada in 2002. Crude petroleum was its leading import at \$580 million, while petroleum and coal products accounted for \$500 million, an increase of 44% from previous years.

Metal trade work in both directions... Canada sent the state \$290 million worth of metals. Basic metal products led this sector with \$64 million in sales, followed closely by \$55 million in copper & alloys and \$49 million in precious metals.

Trade was important to many industries. Canada's sales of equipment and tools totaled \$573 million, with pharmaceutical products worth \$303 million following close behind. The state also bought \$89 million worth of vegetables, \$71 million worth of meat and \$59 million worth of sugars.

Tourism adds millions to the exchange. In 2002, Canadians made 210,000 visits to New Jersey, spending \$57 million. Residents of New Jersey made 462,000 trips to Canada and spent \$206 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 New Jersey, please contact:

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