CANADA AND THE UNITED STATES: A High-Energy Relationship

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• Canada-U.S. is largest two-way trading relationship in the world

• Approximately $680 billion annually in goods and services ($1.85 billion per day)

• Two-way merchandise trade $461 billion ($1.26 billion per day), supports 5.2 million U.S. jobs
• Canada-SEUSA traded $40 billion in 2005

  – Tennessee $13.4b
  – Georgia $9.2b
  – North Carolina $7.7b
  – South Carolina $4.5b
  – Alabama $3.7b
  – Mississippi $1.5b
• Canada-SEUSA trade supports 595,000 jobs in six states

  – Georgia 152,000
  – North Carolina 151,000
  – Tennessee 108,000
  – Alabama 72,000
  – South Carolina 69,000
  – Mississippi 43,000
• Travellers from Canada add to region’s economy

• Over 1.6 million Canadian visits to the SEUSA, spending about $480 million (2005)

• Over 610,000 visits from SEUSA to Canada, spending about $404 million (2005)
• **Canada-Georgia merchandise trade $9.2 billion (2005)**
  – Exports to Canada $4.4b
  – Imports from Canada $4.8b

• **Trade with Canada supported 152,000 Georgia jobs**

• **Canadian tourists spent $88 million (2005)**
• Canada Alliance with SEUSA Governors and Economic Development Commissioners

• Tomorrow and Friday (November 16-17), ED Commissioners visit Ottawa

• Spring 2007, Governors visit Toronto and Montréal
• Energy trade and security

• Huge resources in oil, gas, hydro, nuclear

• Leader in new energy technologies development
• NAFTA (North American Free Trade Agreement) sets rules for energy trade

• SPP (Security and Prosperity Partnership) creates policy environment for sustainable energy
• In 2004, Canada supplied the U.S. with:
  – 96% of electricity imports
  – 85% of natural gas imports
  – 27% of uranium used in production of nuclear power
  – 16% of imports of crude and refined oil
    (more than Saudi Arabia or Venezuela at 14% each)
• **Electricity** (Canada supplies 96% of U.S. imports)

• Potential for future hydroelectricity generation

• Integrated power grids
• **Natural gas** (Canada supplies 85% of U.S. imports)

  – Canadian production (2005): 6.3 trillion ft\(^3\)
  – Net exports to U.S. (2004): 3.1 trillion ft\(^3\)
  – Net exports to U.S. (2005): 3.3 trillion ft\(^3\)
• **Uranium** (Canada supplies 27% of U.S. imports)

• **World’s leading producer of energy-grade uranium**

  – White House Statement on Energy Policy: “*Ensure a future for nuclear power as a viable and emissions-free energy source . . . by authorizing research and development and tax incentives for the next generation of nuclear power plants.*”

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• **Oil** (Canada supplies 16% of U.S. imports)

• **Canada’s reserves represent a safe, secure, long-term supply**
  – Proved oil reserves 179 billion barrels (01/01/2005)
  – Oil sands produce approximately 1 million barrels per day
  – Technological advances, market conditions spur industry to develop Alberta oil sands (plus the Canadian north and Atlantic offshore region)
• Oil and Gas forecast

– 20,000 oil and gas wells drilled in Canada each year for the past decade
– 24,500 new wells projected for 2006
– Proposed Canadian LNG terminals
– Proposed access to northern resources (e.g. the Mackenzie Pipeline)
• “Clean green” energy and other environmental challenges and opportunities
  – Seeking a balance between economic development, social objectives, and environmental stewardship
  – Development of new extraction technologies, alternative energy sources, and non-water based processes
• For more information:

– Canada-U.S. trade relationship
  [http://www.canadianembassy.org](http://www.canadianembassy.org) > trade and investment > state trade fact sheets 2006

– Canada-U.S. energy relationship
  [http://www.canadianembassy.org](http://www.canadianembassy.org) > trade and investment > energy

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• For more information:

  – Canadian Consulate General, Atlanta
    http://www.atlanta.gc.ca

  – Connect2Canada (Canadian virtual networking and news)
    http://www.connect2canada.com