Agriculture and Agri-Food Canada

Canada-Kansas Trade

- → Canada represents a world of opportunity for Kansas, as it represents, in dollar terms, its biggest growth market. The state exported \$2 billion worth of merchandise to Canada in 2006, representing almost 23 percent of the state total for the year. From 2001 to 2006, export shipments to Canada rose from \$1.2 billion to \$2 billion, an increase of \$800 million. Total two-way trade between Kansas and Canada in 2006 exceeded \$4.4 billion dollars. Automobiles, tractors, and other related machinery are central to our trading relationship, but agriculture continues to play an essential role. Bilateral trade in agriculture and agri-food products was worth \$406.5 million in 2006.
- → The Canada-Kansas agricultural trade relationship illustrates the integration of the North American meat and livestock industries, as each party sells the other various beef and pork products. In total, \$99.2 million in fresh/frozen cuts of beef and pork was exchanged in 2006.
- → A large part of Kansas' agriculture and agri-food sales to Canada is processed foods - such as retail pet food valued at \$41.68 million, coffee extracts and related products, valued at \$21.1 million, as well as baking related goods and prepared meat and fish.
- → In terms of Canadian goods supplying the Kansas market. Canada sold more than \$30 million in beef to Kansas in 2006. This was followed by \$7.9 million in cereals, 7.1 million in fats and oils and \$6.3 million in vegetables.

TRADE SUPPORTS **NORTH AMERICAN FAMILIES**

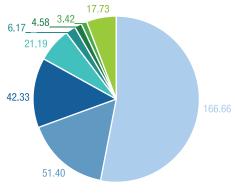
Canada's population is slightly less than the population of the state of California, but the face of agriculture remains the same for both Canada and the United States. Both in Canada and the United States, 98 percent of farms are family operations.

HOW IMPORTANT IS AGRICULTURE?

In the U.S., the agriculture and agri-food industry represents roughly 5% of GDP, and is responsible for roughly 24 million jobs when you consider everything from growing the food to selling it at the local supermarket. In Canada, the agriculture and agri-food industry generates 8% of the GDP. It also employs nearly 2.1 million people, or approximately one out of every eight Canadians. Agriculture remains a central component of Canada's economy.

NORTH AMERICAN BEEF PRODUCTION

There are approximately 800,000 ranchmen and cattlemen in the United States. The entire U.S. beef industry is made up of nearly one million businesses, farms and ranches that in 2006 produced roughly 25 billion pounds of beef. On the other hand, Canada produced 3.3 billion pounds of beef on over 117,000 farms and ranches. Furthermore, in 2006, there were 105.2 million head of cattle and calves in the U.S. Texas, Kansas, Nebraska, California, and Oklahoma produced the majority of cattle in the U.S. In Canada, there were roughly 14.7 million heads of cattle in 2006. The highest inventories were held by Alberta (40 percent), Saskatchewan, Ontario, Manitoba, and Quebec.



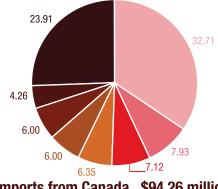
Exports to Canada \$313.49 million

Beef. Fresh/Chilled Pork, Fresh or Frozen

Animal Feed Preparation Extract of Coffee, Etc.

Prepared Meat/Fish Baking Related

Preserved Food Other



Imports from Canada \$94.26 million

Beef Cereals

Fats and Oils Vegetables

Baking Related Pork, Fresh or Frozen ■ Cocoa Other



Pie Chart Data Source: World Trade Atlas (WTA), product group: Agri-food and Seafood, retrieved July 2007. Canada-US state trade data sourced from WTA, product group: Agri-food and Seafood, retrieved Oct. 2007. Additional sources include: USDA, Statistics Canada,





