Canada-South Dakota Trade

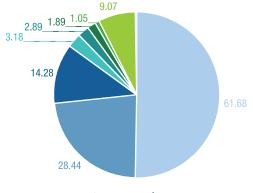
- Total bilateral trade between Canada and South Dakota was valued at almost \$900 million in 2006, \$231 million, or 26 percent of bilateral trade, was related to the farming sector and agriculture and agri-food products.
- → Agriculture is vital to Canadian and South Dakotan employment. One in five South Dakotans is employed on a farm or in a farmrelated job. In Canada, one in every eight Canadians is employed by the agriculture and agri-food industry. In rural Canada, agricultural employment plays a particularly important role in the community. In Saskatchewan, for example, nine percent of workers are farm workers, making it one of the more rural regions of Canada.
- → South Dakota's agriculture and agri-food exports to Canada in 2006 were worth \$122.5 million. This included \$61.6 million in fresh or frozen pork and over \$13 million in fresh or frozen beef cuts.
- → In 2006, soybean and soybean products were South Dakota's number one export to the world, valued at \$340.6 million. Canada purchased soybean residues worth \$28.4 million in 2006. Canadians also bought \$2.1 million in corn, another key South Dakotan commodity, and \$3.4 million in animal feed preparations.
- → Canada's exports to South Dakota were worth \$108.5 million in 2006. Key elements of this trade were \$91.3 million in live swine, as well as close to \$1 million in live chicken, duck and turkey, \$1.5 million in fresh or chilled beef cuts, and \$314,000 in animal feed preparations.

A COMPLEMENTARY HOG INDUSTRY

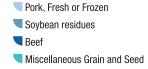
Canada's climate and herd size makes Canadian pork highly competitive. USDA researchers have found that the cooler climate up north is a good explanation for Canada's highly efficient hog-breeding industry. Lower density Canadian herds also give each animal more room to grow. In 2006, Canadian producers averaged 1.5 pigs per sow per year more than their American counterparts. While Canada excels at breeding piglets, the U.S. has particularly efficient finishing operations given the availability of high-quality, low-cost feeds, while open borders allow U.S. packers to bid for Canadian slaughter hogs. It is a natural partnership in an integrated market.

CONSIDER THIS

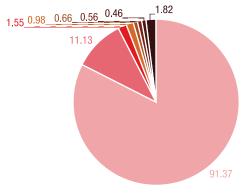
15 percent of the entire U.S. corn crop is directly exported each year, while nearly half is used as livestock feed. Livestock nourished on this feed are often destined for slaughter. According to a report tabled in January 2007 by the Iowa Farm Bureau Women's Delegates, at the American Farm Bureau Federation's annual convention, this means that meat exports represent an additional 17 percent of U.S. corn crop usage. A similar story is true for soybeans. Whole bean exports represent approximately 30 percent of soybean use, while almost 40 percent is used for livestock feed. In this case, 12 percent of U.S. soybean production is exported in the value-added form of meat. Thus, the U.S. sells more of its crop production to its major trading partners, including Canada, than initially meets the eye.











Imports from Canada \$108.53 million

