



Canada-Tennessee Trade



- Total trade between Tennessee and Canada was worth \$14.6 billion in 2006. Of this, agriculture and agri-food products accounted for \$419.8 million worth of trade.
- Processed goods played a large role in Tennessee's 2006 agriculture and agri-food exports to Canada. Tennessee sold to Canada nearly \$41.8 million in baked goods, \$21.7 million in dog and cat food, \$13.3 million in tomato ketchup, and \$9 million in whiskies.
- Canada's exports to Tennessee in 2006 included \$62 million in canola oil, \$17.4 million in breads, pastries and cakes, and \$50.3 million in chocolate products. Other key commodities sent to Tennessee from Canada were \$19.3 million in pork, and \$197,000 in pig and poultry fat.
- Transport giant, CN Rail has opened a new "super" Intermodal Gateway Terminal in Memphis. This major investment will highlight Tennessee's role as a hub in the logistics/distribution sector and bring focus to the "NAFTA Highway" of goods flowing between Canada, the U.S. and Mexico.

HOW IMPORTANT IS AGRICULTURE?

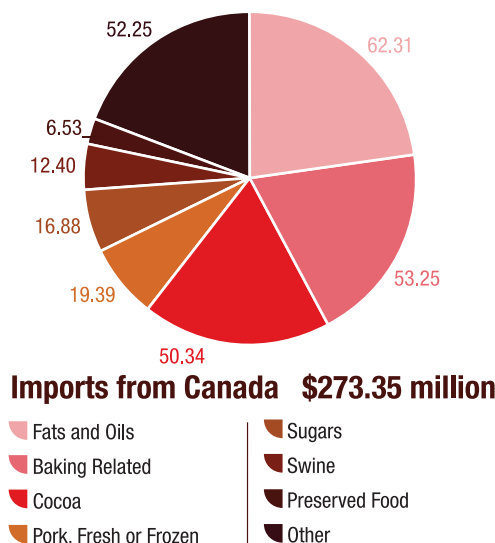
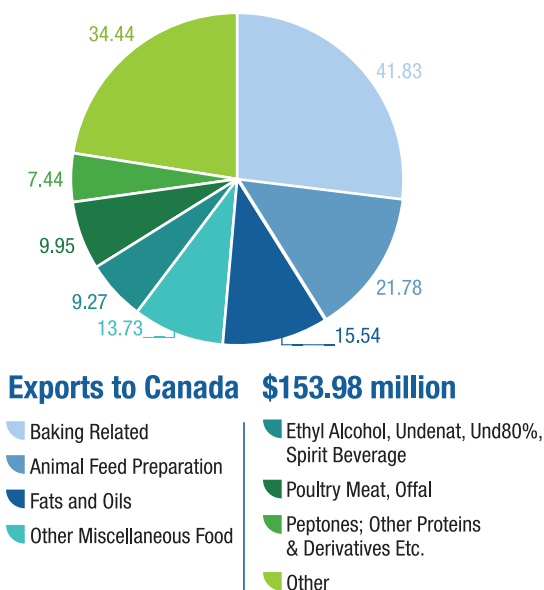
In the U.S., the agriculture and agri-food industry represents roughly 5% of GDP, and is responsible for roughly 24 million jobs when you consider everything from growing the food to selling it at the local supermarket. In Canada, the agriculture and agri-food industry generates 8% of the GDP. It also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

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.

TRADE SUPPORTS NORTH AMERICA'S 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.



Please visit our website: www.agr.gc.ca/usadvocacy

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, Foreign Affairs and International Trade Canada.

**Variations in pie chart data and general trade information may occur due to dates when data was retrieved.



Canada