



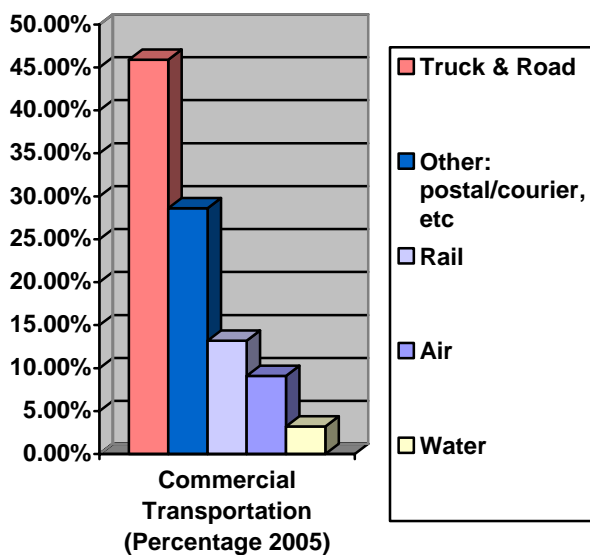
# Transportation TRANSPORTATION

## MARKET OVERVIEW

The Canadian Transportation sector is one of the most modern and highly developed transportation infrastructures in the world. It opens markets to natural resources, agricultural products and manufactured goods. The Transportation sector consists of rail, truck, air and marine. According to Transport Canada, the Commercial Transportation sector in 2005 accounted for US\$38.3 billion (C\$45.2 billion) or 4.1 percent of GDP and employs approximately 718,000 Canadians. Trucking is the most important industry at US\$13.1 billion of total output. The air and rail transportation industries accounted for US\$3.47 billion and US\$5.1 billion respectively, while urban transit accounted for US\$3.0 billion.

The Canadian Transportation Sector is fully integrated with U.S. networks providing efficient access to both consumers and suppliers throughout North America. In 2005, U.S. trade with Canada accounted for 70.2 per cent in value of Canada's total trade with the world. Canada's exports to the United States represented 84 percent of Canada's total exports to the world. The U.S. and Canada share the longest undefended border in the world and exchange nearly US\$1.5 billion in goods and services daily.

## Commercial Transportation Revenues



## U.S. PRESENCE

- ▶ There are roughly ten million truck trips across the Canada-US border annually with a value of goods carried totaling C\$400 billion.
- ▶ The Port of Montreal is Canada's leading container port due to its inland location, as well as its rail and road links to major markets in central Canada and the US Northeast and Midwest.
- ▶ Twenty-five US air carriers are licensed to provide scheduled services to and from Canada. The Open Skies agreement and the deregulation of domestic air services allow U.S. businesses to capitalize on Canada's competitive air passenger and cargo rates.
- ▶ There are two US passenger rail services operating in Canada: Amtrak, the American equivalent of VIA Rail; and White Pass Yukon Railways, which is a tourist train service.

## THINK BIG! THINK CANADA!

Commercial transportation was valued at US\$38.3 billion. Trucking was the most dominant mode of transportation for both exports (53 percent) and imports (73 percent) earning US\$17.6 billion (45.9%) of industry revenue including urban transit, followed by Rail (13.2%), Air (9.1%), Water (3.2%) and Other (28.6%). By volume, pipelines ranked number 1 with 33 percent, followed by trucks (31 percent), rail (18 percent), and marine (17 percent).

We encourage U.S. companies to contact the U.S. Commercial Service to receive more information on how to increase their export potential in this segment of the Canadian transportation market.

**We hope that you find this information useful. If you would like further information contact CS Canada National Transportation Specialist, [Madellon.Lopes@mail.doc.gov](mailto:Madellon.Lopes@mail.doc.gov) or phone (416) 595-5412, Ext. 227.**

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## TRADE BY PROVINCE

The Wholesale and Retail Trade industry is the third largest user of transportation services in Canada. Retail Trade accounted for US\$327 billion (C\$368 billion) in 2005. Over US\$114 billion (36.7%) was accredited to Ontario followed by Quebec, \$70.4 billion; British Columbia & the Territories, \$43.8 billion; Alberta \$41.4 billion; Manitoba, \$10.5 billion; Saskatchewan, \$9.3 billion; Nova Scotia \$9.0 billion; New Brunswick, \$7.1 billion; Newfoundland & Labrador, \$5.0 billion; and Prince Edward Island, \$1.2 billion.

For transportation opportunities visit: Transport Canada's website at: [www.tc.gc.ca](http://www.tc.gc.ca)