




Canada's Gateways Update: Connecting Canada to Global Opportunities

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The World Economy and Trade



Global marketplace integration has driven the distribution of economic activity, as well as the expansion of world trade. Global Value Chains have emerged as a pre-eminent business model.

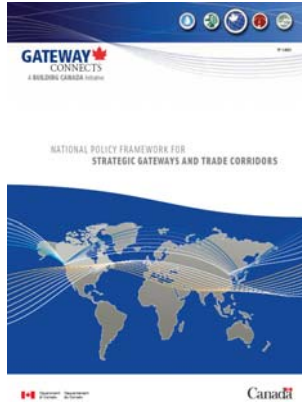
Global influence of China, India and other emerging economies has risen dramatically.

- China has become Canada's second biggest trade partner, surpassing the U.K. and Japan

In the global economic downturn, competitiveness strategies are now more important than ever.

In this context, Canada's Gateway approach to transportation and logistics is key to future competitiveness, and offers a promising platform for engaging key trading partners.

Canada's National Policy Framework



The National Policy Framework's 5 Lenses

The Framework's Five Lenses



LENS 1: International Commerce Strategy

Gateway and corridor strategies must help align Canada's major transportation systems with our most important opportunities and challenges in global commerce.

LENS 2: Volumes and Values of National Significance

Gateway and corridor strategies must have, at their core, systems of transportation infrastructure that carry nationally significant levels of trade.

LENS 3: Future Patterns in Global Trade and Transportation

Gateway and corridor strategies must be forward-looking, addressing major trends in international transportation. Long-term planning is essential, but must be based on empirical evidence and analysis, not just optimism.

LENS 4: Potential Scope of Capacity and Policy Measures

Gateway and corridor strategies should go beyond infrastructure systems to address interconnected issues that directly impact how well the system works and how well Canada takes advantage of it.

LENS 5: Federal Role and Effective Partnerships

Gateway/corridor strategies must ground federal actions in concrete federal responsibilities and effective partnerships with public and private sectors.

Canada's Gateways



Canada's Gateways leverage our major inter-modal transportation and trade systems, and Canada's geographic advantages to connect North America with the world – and Canadians with new opportunities in the global economy.

Asia-Pacific Gateway and Corridor Initiative

The APGCI is an integrated set of investment and policy measures to further develop the Gateway and Corridor, and better equip Canada to take maximum advantage of it. A careful balance of immediate action and long-term direction, it is based on five core elements:

Private Investment and Innovation: to create a positive climate for private investment, while safeguarding the broad public interest

21st Century Governance: to ensure that the most efficient use is made of existing assets, and maximum value and accountability are obtained for taxpayers' investments

Strategic Infrastructure: to cement the reputation of the Gateway and Corridor as a reliable, efficient and secure connection between North America and Asia

Policy Renewal: to address a focused agenda of policy issues that directly impact the efficiency and use of the Gateway and Corridor

Security and Border Efficiency: to explore opportunities to break new ground and keep the Gateway at the forefront of secure and efficient movement of goods and people

APGCI – Strategic Infrastructure

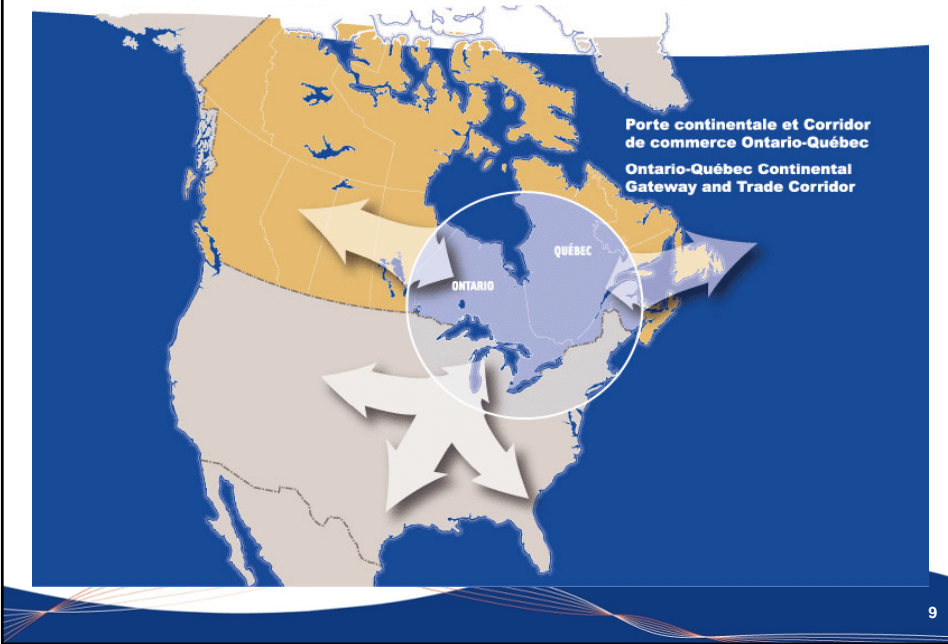


APGCI Competitiveness Measures

Support increased competitiveness and engagement by addressing inter-connected gateway and corridor issues

- Governance and legislative changes
 - Amalgamation of Vancouver’s ports and amendments to the *Canada Marine Act* to encourage private investment and enhance competitiveness
- System-based research and analysis of gateway performance to improve efficiency and reliability of supply chains
 - Gateway Performance Table
- Future competitiveness
 - Asia-Pacific Gateway and Corridor Skills Table
 - Investments in new technologies
- Expanding the knowledge foundation
 - Second International Conference on Gateways and Corridors in 2010
 - Canada-China Policy Dialogue on Trade Logistics, June 2010
- Increasing international outreach, public engagement and marketing
 - Focus on China, other Asia-Pacific economies, and the U.S.

Canada's Continental Gateway



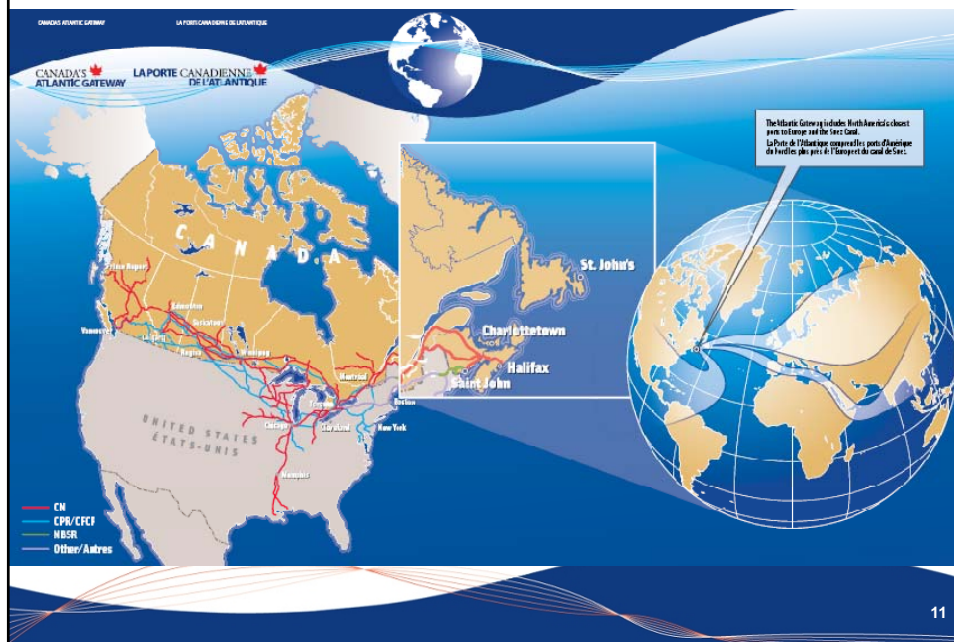
Canada's Continental Gateway

- Transport Canada, Quebec and Ontario have completed significant stakeholder consultations and a comprehensive analysis of the Continental Gateway's freight transportation system.
- Drawing on these findings and "what we heard", the three partners have been developing the Ontario-Quebec Continental Gateway and Trade Corridor Strategy.
- An Action Plan will accompany the Strategy and outline implementation activities.

Next Steps Include:

- Review of international research on dedicated truck lanes (TC-ON-QC)
- Harmonizing regulatory requirements for commercial vehicles between Ontario and Quebec (ON-QC)
- Transportation system analysis to identify current and future bottlenecks (TC-ON-QC)
- Ontario-Quebec Trade and Cooperation Agreement (ON-QC)
- Workshops on competitiveness issues (Air Cargo, Marine, Technology and others) (TC-ON-QC)



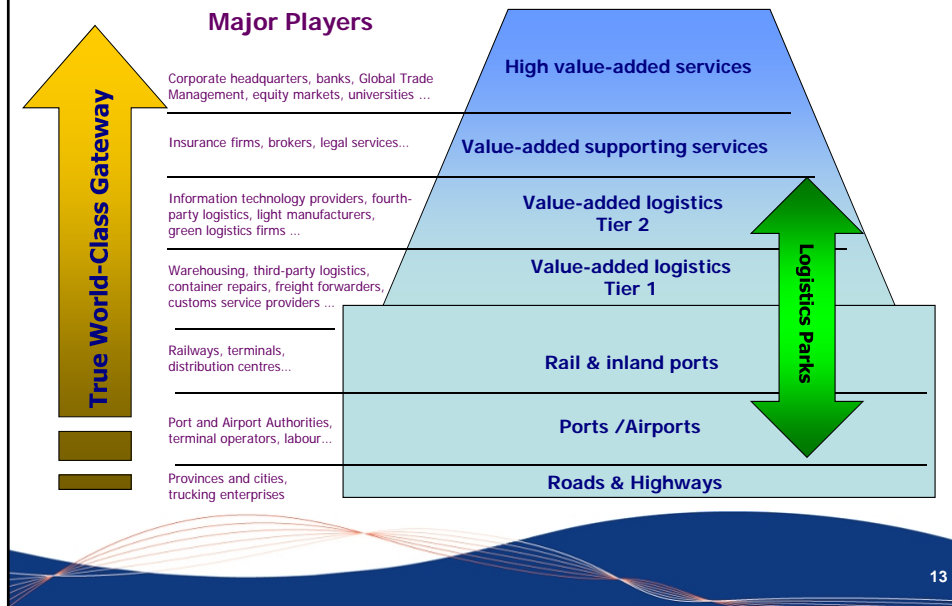


Canada's Atlantic Gateway provides exporters and importers unconstrained, reliable and efficient access to North America from markets in Asia via the Suez Canal, Europe, the Caribbean and Latin America.

- ➔ **COMPETITIVE:** deep-water ports with ability to handle the post-panamax ships, proximity to large North American markets, labour stability, and readily available capacity in all modes of transportation.
- ➔ **VERSATILE:** world-class transportation system with specialized distribution, trans-load and logistics facilities, as well as niche capabilities such as refrigerated cargo, dry and liquid bulk shipping.
- ➔ **INNOVATIVE:** processes and technologies that are enhancing the safety, security, efficiency and sustainability of the transportation system (e.g., weigh-in-motion, 511, and SmartBay).
- ➔ **INTEGRATED:** collaboration between governments and the private sector to ensure seamless and adaptable service.

Working with Provinces towards an Atlantic Gateway Strategy: a balance of immediate measures and longer-term directions to focus ongoing efforts by all public and private sector partners to strengthen and promote the Gateway

The Value-added Gateway Opportunity



Competitiveness and Engagement Activities

- **Creating a Business-Friendly Environment**
 - Legislation and Policy Alignment
 - Harmonization of International Maritime Container Rules
 - Waiver of duties on foreign-built ships (consultations in 2009)
 - Elimination of manufacturing tariffs (Budget 2010)
 - Competitive tax and duty regime
- **Pro-active Public Engagement**
 - Promoting the advantages and benefits of Canada's Gateways to Canadian business and communities
- **International Marketing**
 - Ongoing marketing of Canada's Gateways to key logistics players in China, Japan, Korea, Europe, Latin America and the United States
- **Virtual Trade Platforms**
 - Exploring the use of technologies to connect Canadian firms with overseas customers to facilitate trade and transportation via secure paperless transactions

Canada's Gateway Approach



- ✓ Strong national policy direction.
- ✓ Unprecedented level of infrastructure investment.
- ✓ Concrete actions.
- ✓ Strong partnerships between public and private sectors.