

ONTARIO-QUÉBEC CONTINENTAL GATEWAY AND TRADE CORRIDOR

Transportation Border Working Group

October 25th, 2007
Montréal, Québec

Purpose and Outline

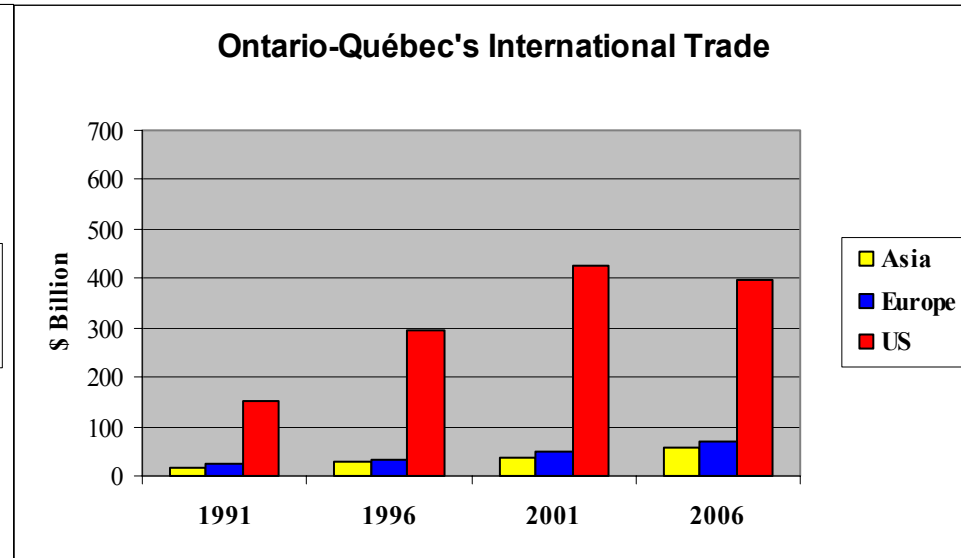
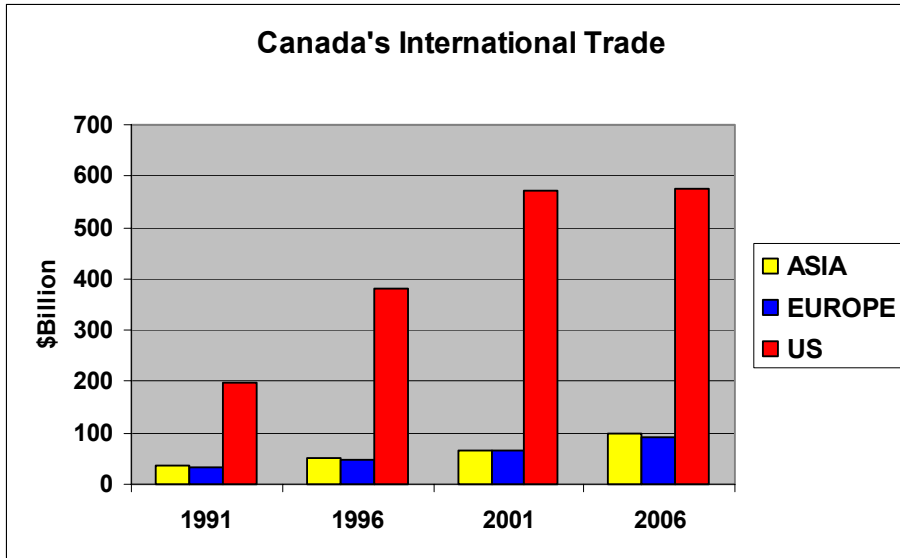
Purpose:

- Provide an overview of national importance of developing an integrated strategy for the Ontario-Québec Continental Gateway and Trade Corridor.

Outline:

- Trade Perspective and Transportation Infrastructure;
- Policy Context; and
- Moving Forward.

Current Trade Values



- Asian and European trade represents fast growing opportunities for Canada's and Ontario-Québec's businesses, BUT the U.S. overwhelmingly remains Canada's and Ontario-Québec's most important trading partner.

North America Trade Dominates



- 70% of Canada's international trade is with U.S.
- More than 60% of Canada's GDP generated within the Ontario-Québec region.
- Ontario-Québec have easy access to 135 million consumers within 1000 Km – a less than one day truck trip.
- Geographic location, fully integrated supply chain and multimodal transportation network offer strategic competitive advantages.

Ontario-Québec host

Canada's Most Important Surface Trade Corridor

- Approximately 80% of Canada's trade by truck with U.S. moves through Ontario-Québec border crossings.
- Top 5 Canada-U-S border crossings (number of trucks) are located along the Ontario-Québec corridor, which represents almost 65% of total trucks crossing the Canada-U.S. border.
- The Ambassador Bridge in Windsor is Canada's busiest border crossing
 - Over 10,000 trucks and \$313 million in trade per day.
 - Work is underway with Ontario, Canada, and U.S. partners to construct a new crossing to meet projected growth.
- Approximately 80% of Canada's trade by rail with U.S. moves through Ontario-Québec corridor – served by both CN and CPR.

Top 5 Canada-U.S. Border Crossings are in Ontario-Québec	
Border Crossing	Two-Way Trade, 2006
Windsor	\$139.8B
Niagara/ Fort Erie	\$66.2B
Sarnia	\$49.0B
Lacolle	\$20.5B
Lansdowne	\$14.3B
TOTAL	\$289.8B

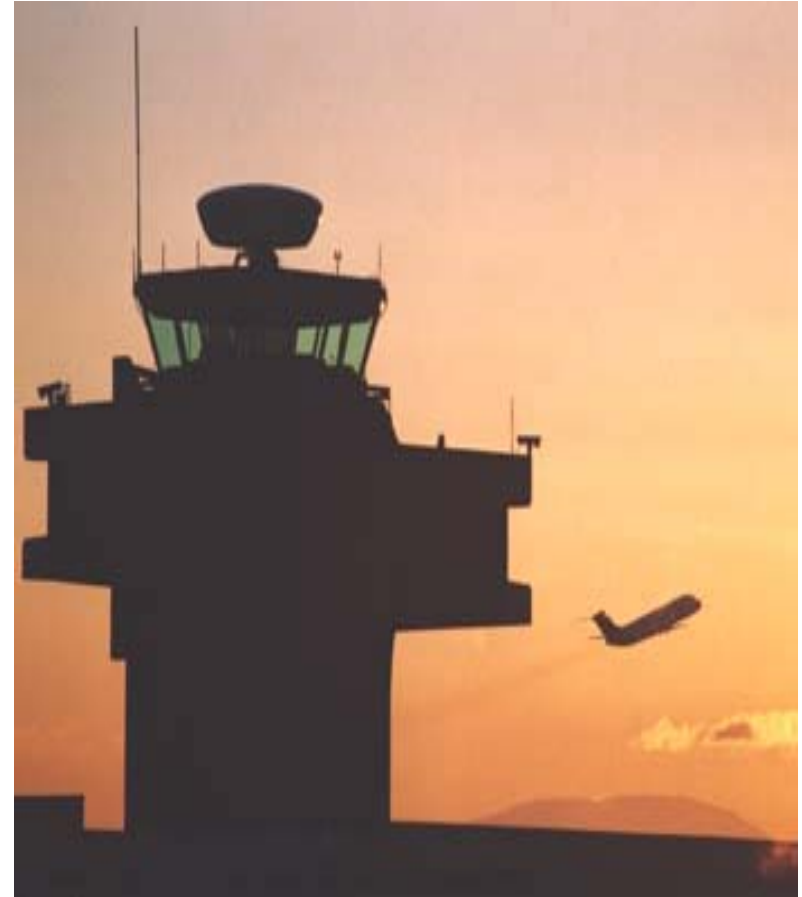
Ontario-Québec have access to North America's largest Continental Marine Corridor

- Over 250 M tonnes of cargo traffic moves each year through the Seaway.
- Port of Montreal is second largest container port in Canada and open all year long. (1.3 M TEUs in 2006).
 - Gateway to St-Lawrence Seaway and Great Lakes
 - Intermodal hub served by the two national railways and more than 25 trucking companies
- Opportunities to exploit potential of this strategic inland waterway. Shortsea shipping is a viable complement to other modes of freight transportation along the corridor.



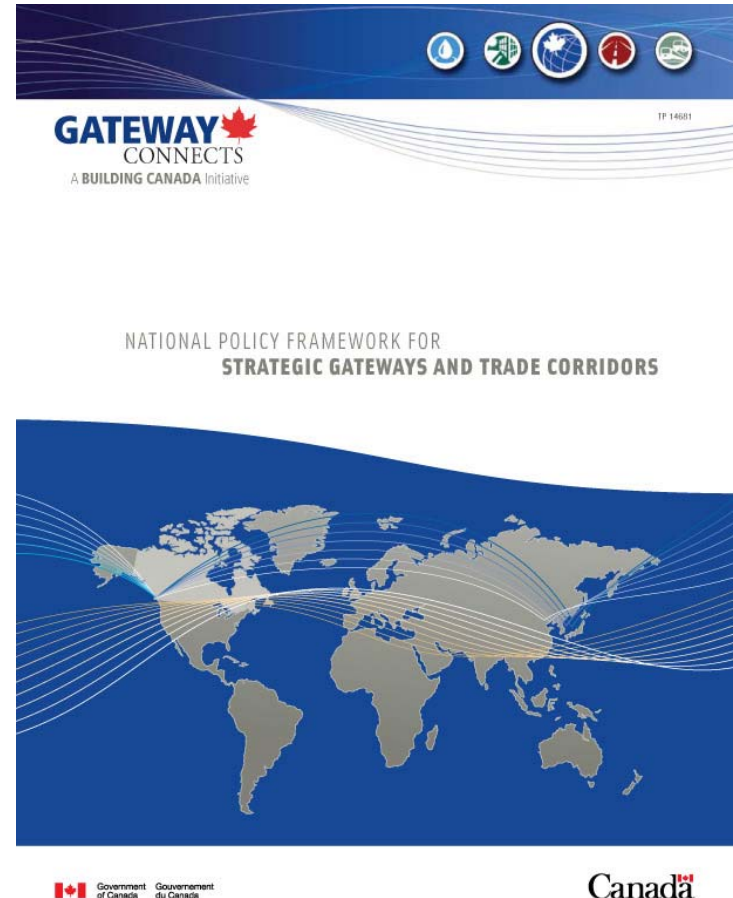
Ontario-Québec are home to two of Canada's busiest airports

- Toronto's Pearson International Airport is Canada's busiest, handling around 50% (value) of international air cargo and 45% of total international and transborder (U.S.) passenger traffic.
 - Served by 71 international carriers
- Montreal-Trudeau International Airport handles 17% of Canada's total international and transborder (U.S.) passenger traffic.
 - Served by 32 international carriers



Mobilizing Efforts: National Policy Framework for Strategic Gateways and Trade Corridors

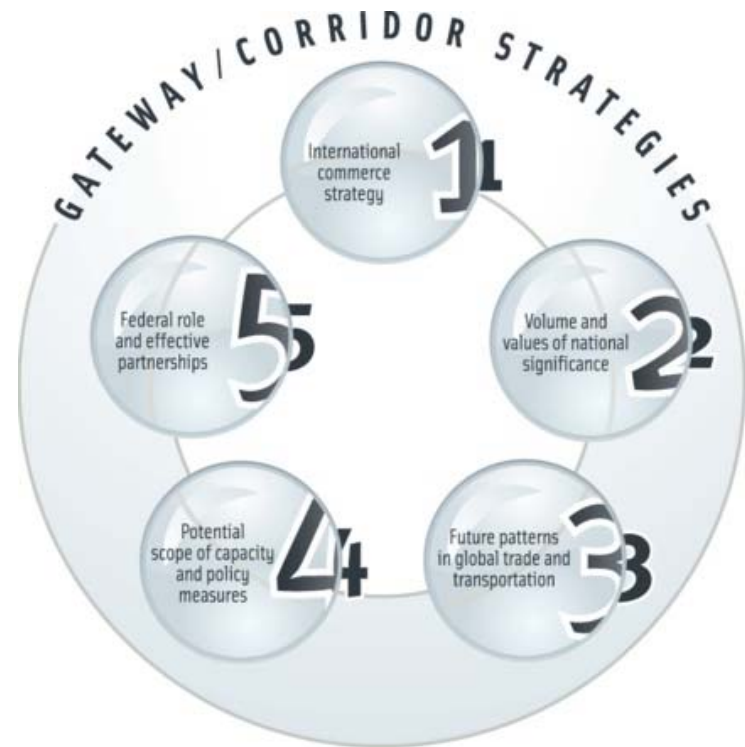
- Gateway/corridor strategies are instruments of national policy that reflect regional opportunities
 - Therefore they would differ considerably, while ensuring consistency in overall concept, principles and vision
- National Policy Framework for Strategic Gateways and Trade Corridors released July 25, 2007



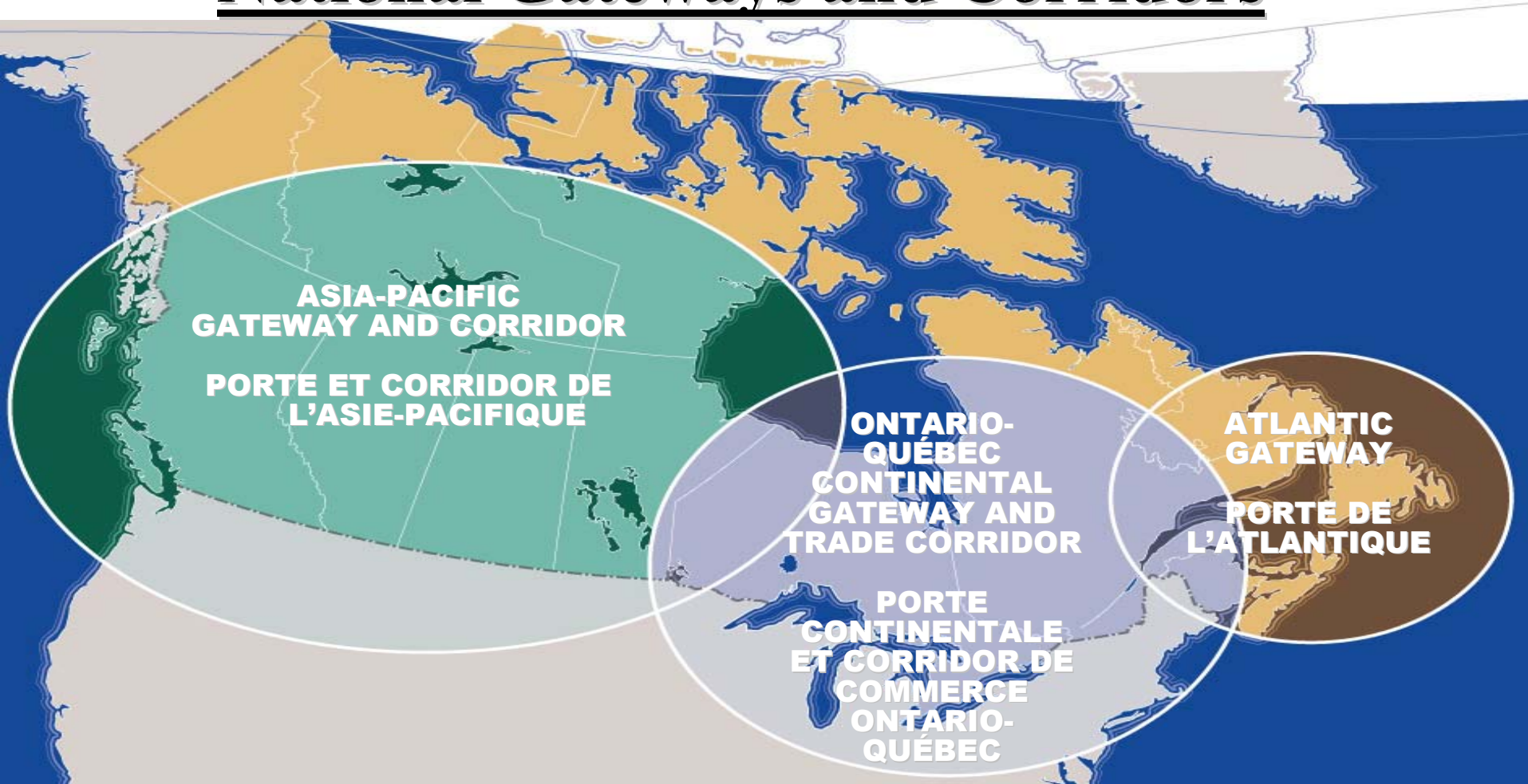
National Policy Framework for Strategic Gateways and Trade Corridors: Five Policy Lenses

Crucial to understand and assess current and future international trade flows to plan and provide the most efficient multimodal corridors and gateways.

Future gateway and corridor strategies, including an Ontario-Quebec Continental Gateway and Trade Corridor strategy, will be based on a compelling analysis through each of these lenses.



National Gateways and Corridors



- ✓ Three National Strategic Gateways/Trade Corridors identified for integrated federal “gateway” approach.
 - Asia-Pacific Gateway and Corridor;
 - Ontario-Québec Continental Gateway and Trade Corridor; and
 - Atlantic Gateway

Meeting the Challenges of Growth

Gateway and Corridor approach will help identify and guide the implementation of actions required to:

- Optimise transportation system and its integration
- Ensure fluidity at critical border crossings and intermodal connections
- Reduce environmental impacts and improve sustainability
- Harmonize regulations/policies to strengthen safety, security, productivity and North American competitiveness
- Identify key opportunities for strategic investments and policy and operational measures to increase capacity and efficiency



MOU Signature

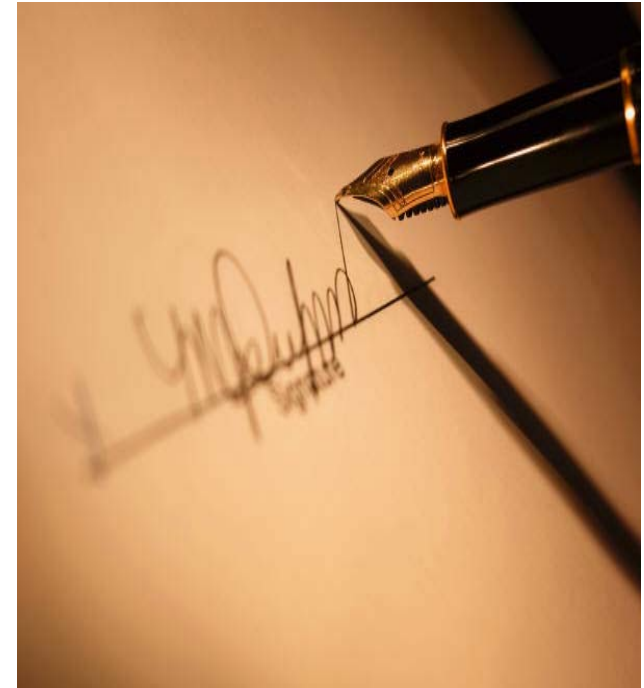
- On July 30, 2007, The Honourable Lawrence Cannon, Minister of Transport, Infrastructure and Communities, the Honourable Donna Cansfield, Ontario Minister of Transportation, and Ms. Julie Boulet, Quebec Minister of Transportation signed a MOU on the development of the Ontario-Quebec Continental Gateway and Trade Corridor.
- Approximately 175 Public/Private sector participants applauded positively this federal-provincial initiative.
- Budget 2006 and 2007 delivers more than \$33 billion over the next seven years (2007–08 to 2013–14) to infrastructure, including:
 - Building Canada Fund : \$8.8 billion
 - Gateways and Border Crossings Fund: \$2.1 billion
 - Public-Private Partnerships Fund: \$1.3 billion



MOU for Collaboration

Canada, Ontario and Quebec cooperating to strengthen economic competitiveness by leveraging advantages in geography and transportation.

- Mandate:
Provides framework for development of an Ontario-Québec Continental Gateway and Trade Corridor in partnership with the private and public sectors.
- Objective:
Establish Ontario-Québec Continental Gateway and Trade Corridor as a strategic, integrated, globally competitive transportation system for international trade.



Working Together

- Multimodal Action Plan in MOU will be undertaken over next 24 months
- Will require collaboration between public and private sectors to:
 - Estimate current and future demand.
 - Evaluate current and future capacity issues.
 - Develop plan for targeted infrastructure improvements to meet current and future demand.
 - Review and recommend policy, regulatory and operational measures.



Results will guide and coordinate public and private infrastructure investments and policy initiatives to optimise the transportation system.

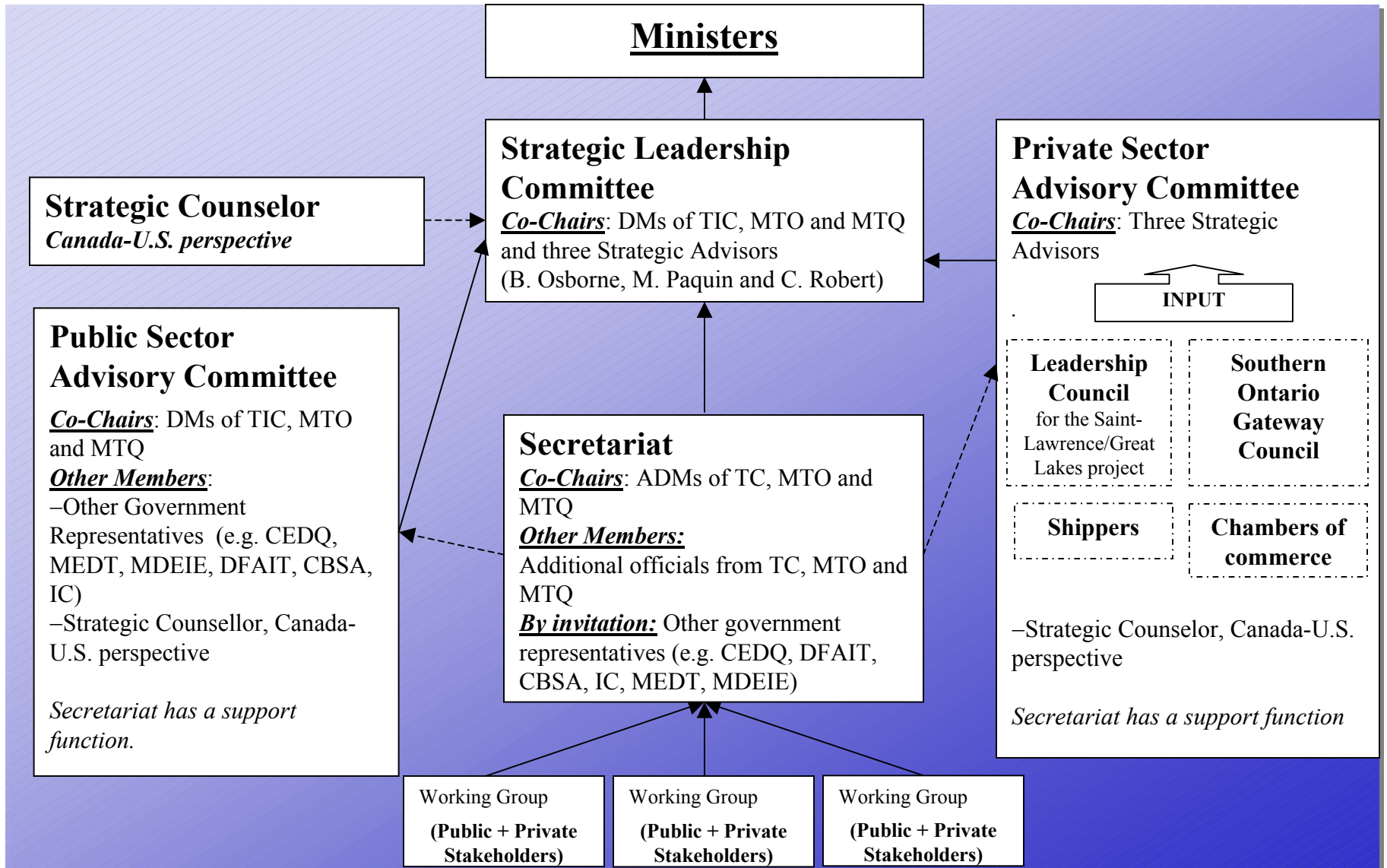
Partnership with Public and Private Sectors

- Private sector a primary beneficiary of efficient multimodal trade transportation system.
- MOU establishes governance structure to facilitate collaboration between public and private sectors to enhance dialogue and joint actions.
- Stakeholder involvement ensures their multimodal transportation and trade needs are identified and provides input to development of infrastructure and policies for the future.



Engagement of private sector in this initiative is essential, to share expertise, information and advice with federal and provincial governments to improve system and ensure its competitiveness.

Governance Structure



12 months		3 months	3 months	3 months	
1. Context and Factors Influencing Ontario-Québec Continental Gateway and Trade Corridor a) Policy context <ul style="list-style-type: none"> Fed. and prov. gateway/corridor policy and initiatives <ul style="list-style-type: none"> National Policy Framework on Strategic Gateways and Trade Corridors TC-MTQ-MTO MOU Qc-On Cooperation Agreement Other fed. and prov. policy/ initiative Jurisdictions Identification of key objectives for the Ontario-Québec Continental Gateway and Trade Corridor b) Geographic scope c) Demand Drivers (International, National, Provincial, Regional) <ul style="list-style-type: none"> Market globalisation and transportation context/trends Economics/demographics Land use d) Others <ul style="list-style-type: none"> Management Sustainable development Safety and security Economic development Others 	2. Infrastructure and Non-infrastructure Current and Future Portrait and Issues		3. Challenges and Opportunities Identification of Potential Challenges and Opportunities (list) <ul style="list-style-type: none"> Infrastructure Non-Infrastructure Operational environment Institutional, policy, legislative and regulatory environment Labour aspects Others <p>By mode, including intermodal and land borders</p>	4. Scenarios Information Integration and Packages of Actions and Measures (Infrastructure and Non-infrastructure) <ul style="list-style-type: none"> Assessment and ranking of action and measure packages Quantitative/ qualitative evaluation criteria Weighting scheme and ranking 	5. Strategy <ul style="list-style-type: none"> Recommendations on Short, Medium and Long Term Priorities <ul style="list-style-type: none"> Infrastructure Non-Infrastructure Identification of a Long Term Research Strategy
	2a. Current Infrastructure Demand Current picture: Commodity and people flows, trade, and modal traffic on the national multimodal transportation system By mode, including intermodal and land borders	2c. Future Infrastructure Demand Future picture: Commodity and people flows, trade, and modal traffic on the national multimodal transportation system By mode, including intermodal and land borders			
	2b. Current Infrastructure Profile, Capacity and Issues <i>Current Infrastructure performance/bottleneck and Profile</i> By mode, including intermodal and land borders	2d. Future Infrastructure Profile, Capacity and Issues <i>Future Infrastructure performance/bottleneck and Profile</i> By mode, including intermodal and land borders			
2e. Non-infrastructure Situation and Issues					
		a) Operational environment (e.g., TDM, System management, logistics, technology/ITS) b) Institutional, policy, legislative and regulatory environment c) Labour aspects d) Others By mode, including intermodal and land borders			

Border Technical Paper

Objectives:

- Provide current picture of freight and passenger flows, trade, traffic and infrastructure performance at border crossings as well as a portrait of major infrastructure and non-infrastructure issues, challenges and opportunities related to the Ontario-Québec Gateway and Trade Corridor. **i.e.:**



CDN. Border Accesses, CDN. Border Infrastructures and CDN. Border Operations

The Steering Committee of this study will be composed of Federal and Provincial (ON-QC) members of the Transportation Border Working Group.

Desired Results

1. Strategy with recommendations on infrastructure improvements, policy and operational measures.
2. Strategic marketing plan to promote advantages of Ontario-Québec Continental Gateway and Trade Corridor



Efficient, integrated and globally competitive multimodal transportation corridor by maximizing public and private sectors cooperation and investment.

A map of Ontario and Québec, Canada, with a yellow highlight over the landmass. A circular inset shows a closer view of the Great Lakes region, with arrows pointing from the lakes towards the United States and from the United States towards the lakes. The text 'ONTARIO' and 'QUÉBEC' is visible on the inset map.

Ontario-Québec Continental Gateway and Trade Corridor is Canada's key gateway to North America

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