

Growing Issues

Health Care

- Approximately 3,500 Canadian health care workers commuted to the Detroit region on a daily basis in 2007.¹¹
- Due to a shortage of qualified health care workers in Southeast Michigan, Michigan health care facilities have been known to recruit nurses from Canada. The ease with which these individuals can traverse the borders is critical.

Capacity, Congestion, and Delays

- The importance of international trade continues to grow. Long-term traffic volumes are expected to rebound and grow again for both passengers and trade across the border. The Detroit River International Crossing Study (DRIC) projects that over the next 30 years, passenger car traffic between Detroit and Windsor will increase by approximately 57%; truck traffic is projected to increase 128%. Based on conservative growth scenario estimates, it is anticipated that cross-border infrastructure will surpass capacity by 2033.
- In the last 30 years, additions to the physical border crossing infrastructure have not kept pace with the growing level of trade traffic. The most recent forecast indicates 20% to 30% growth over the next 15 years.¹²
- Congestion and delays at border crossings have been an issue for several years and, if not addressed, can impact individual businesses and, ultimately, the overall economy. By 2030, if we do not address congestion problems, the Michigan-Ontario border would cost the economies of Michigan and Ontario a total of \$6.3 billion U.S. in production, annually.¹³

Physical Condition of Infrastructure

Like any aging system, some border-crossing facilities are in good condition, while others are in need of short-term repair or long-term replacement. Work at the 71-year-old Blue Water Bridge and the new span (12 years old) focuses on providing additional capacity for its plaza. Many of the bridges and tunnels which make up Michigan's international border crossing system, including the Ambassador Bridge, were constructed more than 75 years ago and are now in need of significant long-term repair, reconstruction, or modernization.

Future Opportunities and Challenges

Maintaining and managing Michigan's international border crossings involves dealing with a number of diverse and complex issues. Capacity, congestion, delays, the growth in international trade, homeland security, and the deteriorating physical conditions of aging infrastructure are but a few.

There is significant interdependency of the American and Canadian economies and there is nothing more important to exporters and importers on both sides of the border than being able to ensure traffic at the border flows efficiently and the international supply chain remains strong.

SEMCOG

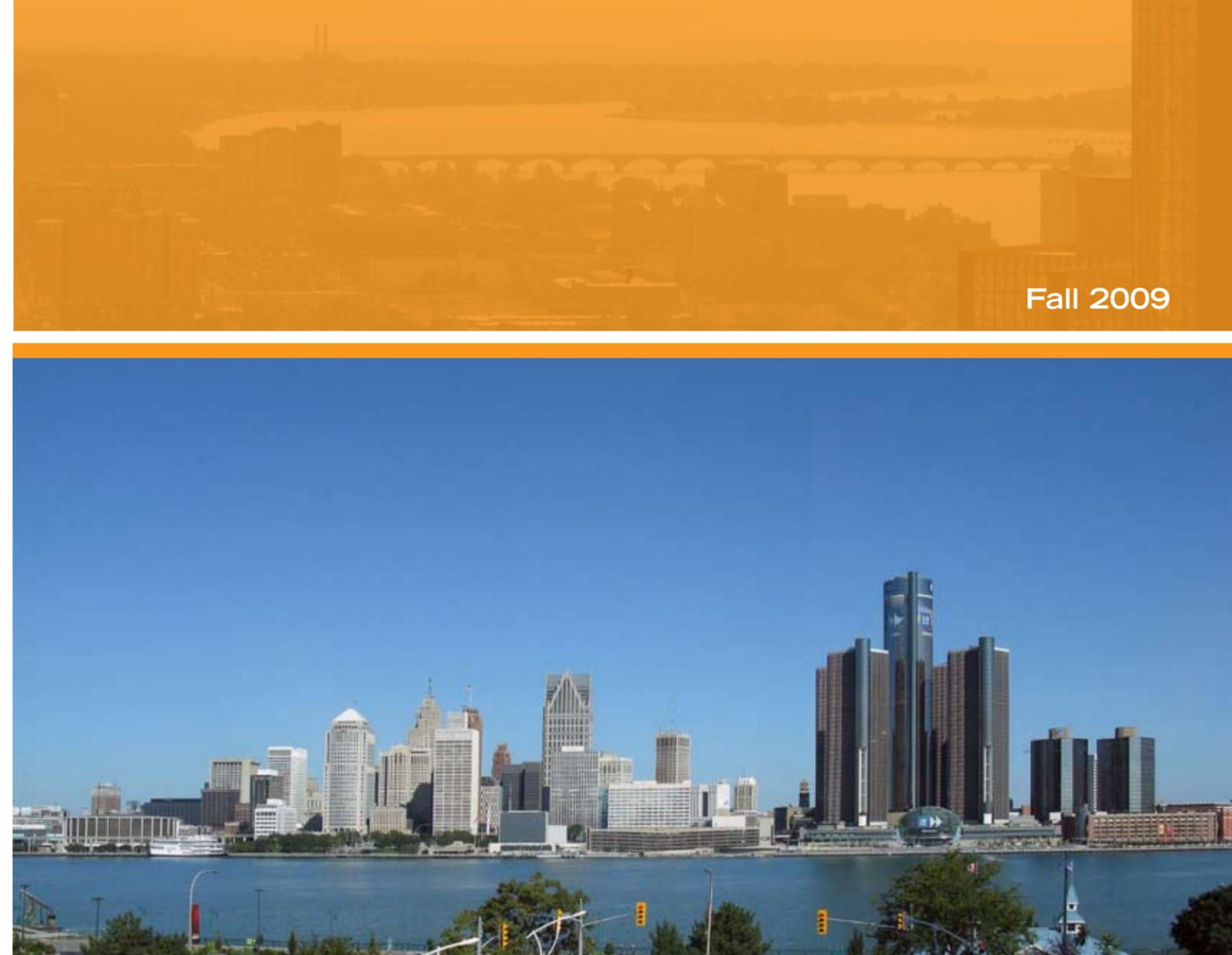
Southeast Michigan Council of Governments
Information Center
535 Griswold Street, Suite 300
Detroit, MI 48226-3602
313-961-4266 • fax 313-961-4869
www.semcog.org • infocenter@semcog.org

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Economic Impact of the Border

Detroit/Windsor

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¹¹ U.S. – Canada Border's Effect on Health Care Delivery in Southeast Michigan article • ¹² 2009 Global Insight: Ontario-Quebec Continental Gateway and Trade Corridors National Commodity Flow, Trade and Traffic Forecasts • ¹³ The Detroit River International Crossing (DRIC) Report

The impact of international trade on the economies of the United States and Canada cannot be overstated. Millions of jobs in both countries are supported as a direct result of our two countries sharing the world's largest and most comprehensive trading relationship. It is a partnership that accounted for more than 20 percent of U.S. exports in 2008.

The Great Lakes states contribute more than half of this trade, supporting 7.1 million U.S. jobs in 2007. Michigan alone accounts for more than half of the total U.S. trade with Canada with almost all of that handled at the Detroit and Port Huron international border crossings.

The Montreal-Toronto-Windsor-Detroit-Chicago corridor is one of the densest and most interconnected transportation corridors in North America. This corridor acts as the backbone of transportation networks linking both freight and passenger movement between the U.S. and Canada.

The U.S.-Canada border supports current efforts to end the most severe recession in decades and expedite economic recovery. Our economy is changing. Regardless of what makes up our future economy, the border crossings will continue to be a key asset for the movement of goods and access to labor, and serve as the gateway to the rest of the U.S.

Montreal-Windsor-Detroit-Chicago Corridor Great Lakes Regions



Summary

U.S. – Canada Trade

- U.S. trade with Canada averages \$1.5 billion per day, more than U.S. trade with the entire European Union.¹
- More than 200 million people and approximately \$500 billion in goods move across the Canada/U.S. border annually.
- In 2007, 20% of all U.S. exports were to Canada. Conversely, 16% of U.S. imports were from Canada.
- In 2008, 75% of Canadian exports were to the U.S., representing nearly 33% of its Gross Domestic Product.

Michigan – Canada Trade

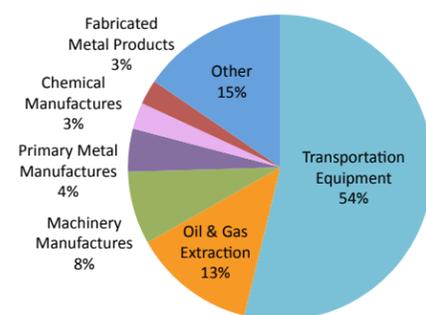
- In 2007, Canada was Michigan's most important trading partner, purchasing 58% of the state's foreign-bound goods.
- In 2008, total trade between Michigan and Canada exceeded \$67.4 billion. Canada trades more with Michigan than with any other U.S. state.
- In 2008, Michigan residents and Canadians crossed the border almost 2.8 million times.

Southeast Michigan – Canada Trade

- The Detroit Regional Chamber considers these 10 counties to be impacted by Detroit-Windsor trade; Genesee, Lapeer, Lenawee, Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, and Wayne and has identified 132 specific Canadian-owned companies in this area.
- This report specifically focuses on the host county – Wayne County.

Economic Impacts

Michigan's Leading Exports to Canada, 2008



Employment Implications of Trade between U.S. and Michigan

- Canada/U.S. trade plays a significant role in the economies of both. It supports more than two million Canadian jobs and 7.1 million U.S. jobs, including approximately 221,500 jobs in Michigan.²
- Export-supported jobs linked to manufacturing account for approximately 6% of Michigan's total private-sector employment. Nearly 25% of all manufacturing workers in Michigan depend on exports for their jobs.³

Canadian Business in Michigan and Wayne County

- In 2009, 251 Canadian-owned businesses in Michigan employed 22,016 people in 679 locations.⁴
- According to State of Michigan data, 55 Canadian-owned businesses in the SEMCOG region employed 3,624 people; 64% of those 55 businesses were auto-related and employed 2,265 people.
- Approximately 40% of the trucks crossing the border start or end their trips in Southeast Michigan; of these, approximately 60% begin or end in Wayne County.⁵

- In 2006, Wayne County was the origin or destination for 11,987 cross-border trucks with 123,012 tons of goods for a 44% share of Michigan's weekly trips and 43% share of Michigan's weekly tonnage.⁶
- Wayne County was the destination for 5,703 weekly truck trips with 70,008 tons of goods and was the origin for 6,284 weekly truck trips with 53,004 tons of goods.⁷
- According to State of Michigan data, 15 Canadian-owned businesses in Wayne County employed 488 people; 10 of those 15 businesses were auto-related and employed 419 people.

Tourism

- In 2007, over 2.7 million visits were made between the State of Michigan and Canada. Canadians visited Michigan 1.4 million times, spending \$284 million. Michiganders made 1.3 million visits to Canada, and spent \$467 million.⁸
- There were 9.2 million overnight visitors to the Detroit Metropolitan Area, with Canadians accounting for approximately 3%, and 6.5 million day visitors to Metro Detroit, with Canadians accounting for 7%.⁹

Retail

- In 2008, shopping was the largest category of visitor spending, representing about 27% of all visitor spending.¹⁰
- In 2008, 455,000 Canadians made day visits to the Detroit Metropolitan Area, spending an average of \$68.
- The average total spending per overnight visitor was \$485; there were 266,800 overnight Canadian visitors.

¹ Merchandise trade figures are from Statistics Canada, converted at the rate of US\$1.00=C\$1.0749. Merchandise trade is based on total exports and imports for the year 2007. • ² The Detroit River International Crossing (DRIC) Report • ³ State Export-Related Employment Project, International Trade Administration and Bureau of the Census • ⁴ Statistics Canada

⁵ 2007 NRS Data • ⁶ Ontario Ministry of Transportation • ⁷ Ontario Ministry of Transportation • ⁸ Statistics Canada • ⁹ The 2008 Detroit Metropolitan Area Tourism Market Profile and Economic Impact Study, CIC Research, Inc. • ¹⁰ The 2008 Detroit Metropolitan Area Tourism Market Profile and Economic Impact Study, CIC Research, Inc.