

Minister of Finance



Ministre des Finances

Ottawa, Canada K1A 0G5

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Ms. Mary Anderson
President
Canadian Association of Importers and Exporters Inc.
1618 - 438 University Avenue
Box 60
Toronto, ON M5G 2K8

Dear Ms. Anderson:

Thank you for your letter of April 24, 2006 regarding your members' priorities. In your letter, you identify a number of proposals for new funding which you believe are needed to assist importers and exporters and ensure the competitiveness of the Canadian economy. Budget 2006 addresses a number of issues of interest to your members.

First, Budget 2006 delivers on the Government's commitment to bring forward a strategy to ensure that our borders, notably with the United States, are safe and conducive to business. At the forefront of this strategy is a \$303 million investment over two years to advance smart border cooperation with the United States under the Security and Prosperity Partnership of North America. This strategy also includes funding for new programs that will directly benefit Canadian traders such as *eManifest* for road and rail cargo to speed up commercial shipments at the border. Budget 2006 also includes investment in the *Partners in Protection* program to make it compatible with the U.S. *Customs Trade Partnership Against Terrorism* security certification program so that Canadian companies can enjoy higher return in terms of customs benefits for security-related investments.

In addition, Budget 2006 invests \$101 million over two years to start arming border officers and address work alone situations at border posts. This initiative will place greater emphasis on law enforcement at the border and reduce safety concerns that can affect the flow of legitimate trade and travellers. I believe that these Budget 2006 investments will increase certainty and predictability at the border for the benefits of Canadian exporters and importers.

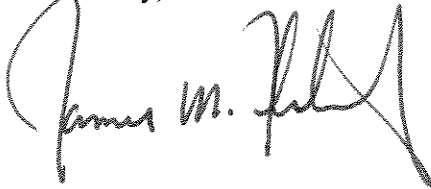
Canada 

With regards to infrastructure, Budget 2006 delivered on the Government's commitments, most notably by allocating \$591 million towards the Canada Pacific Gateway Initiative and \$2.4 billion towards the new Highways and Border Infrastructure Fund. The Highways and Border Infrastructure Fund will provide future funding for federal investments in infrastructure improvements that support Canada's major gateways in addition to improvements to the core National Highway System that the Government will cost share with provinces and territories.

I am confident that these Budget 2006 measures will benefit Canadian importers and exporters.

Thank you for bringing your members' priorities to my attention.

Yours sincerely,

A handwritten signature in black ink, appearing to read "James M. Flaherty". The signature is written in a cursive style with a large initial "J" and a stylized "F".

James M. Flaherty