Canada

* As an affluent, high-tech industrial society in the trillion-dollar class, Canada resembles the US in its market-oriented economic system, pattern of production, and affluent living standards. Since World War II, the impressive growth of the manufacturing, mining, and service sectors has transformed the nation from a largely rural economy into one primarily industrial and urban.
* The 1989 US-Canada Free Trade Agreement (FTA) and the 1994 North American Free Trade Agreement (NAFTA) (which includes Mexico) touched off a dramatic increase in trade and economic integration with the US its principal trading partner. Canada enjoys a substantial trade surplus with the US, which absorbs about three-fourths of Canadian exports each year. Canada is the US's largest foreign supplier of energy, including oil, gas, uranium, and electric power.
* With a population of 34.1 million and GDP of $ 1.3 trillion, Canada is the 15th largest economy in the world and boasts one of the highest per capita incomes in the world of $39,057, according to CIA Factbook.
* Government spending has increased to over 40% of GDP, deficits have widened and public debt has increased to 83.9%., causing an 11 point reduction since 2010 in the Heritage Foundation limited government score to 41.7, or 135th in the world.
* Low tariffs and dynamic gains from free trade make Canada very competitive, ranking 12th overall (down from 10th in 2010) with a score of 79.9 out of 100 on the Heritage Foundation Economic Freedom Index.
* Canada’s big 6 domestic banks account for 90% of total assets and due to prudent decisions have not required bailouts in the global meltdown of 2008. In light of the foregoing, the Heritage Foundation financial freedom score remains 80 out of 100, ranking Canada 4th in the world in financial freedom,
* Government controls all prices for health care through mandatory single payer program.
* With flexible labor regulations to encourage employment and productivity, Canada ranks 5.53 out of 7 on the Global Competitive Index, 12th in the world. Canada has seen their average cost of business licensure cut in half, with no minimum capital requirement.
* Canada is the 5th most prolific country in the world in intellectual property for 2011, according to the World Intellectual property organization. Contract enforcement is ensured and protection of intellectual property rights is consistent with world standards.
* Canada is ranked 2nd in the world for protection of property rights by The Heritage Foundation, with an overall score of 90 out of 100. Expropriation of property is rare.
* Canada boasts an independent and transparent judiciary. Effective anti-corruption measures discourage bribery and encourage ethical government, which merit a control of corruption ranking of 2.06 out of a possible 2.5 on the Transparency International Corruption Index.
* Due to the foregoing, Heritage ranks Canada 6th in the world for freedom of corruption, and they score of 8.7 (out of 10) by Transparency International.
* The steady reduction of the standard corporate tax rate over the past three years has aided competitiveness, ranked 12th in 2012 on the Economic World Forum Global Competitive Index.

**ICE Futures Canada welcomes an open market for wheat and barley**

David Pett, May 1, 2012, *Financial Post Magazine*

The Conservative government’s decision to end the Canadian Wheat Board’s monopoly on most crop sales in the country has raised ire in certain domestic farming community circles, but Brad Vannan isn’t complaining.

The president and chief operating officer of ICE Futures Canada welcomes the first open market for wheat and barley in seven decades and is ready to compete globally now that new futures contracts for both grains are trading on the country’s biggest agricultural commodity exchange. “Canada is still going to be an extremely important supplier of wheat to the world,” he says. “We understand the marketplace and understand the type of futures contract that can be successful. So it was natural for us to step up.”

…Vannan was appointed to his current role in April 2008, taking responsibility for the exchange’s cornerstone global canola futures and option contracts, as well as domestic contracts for feed wheat and barley. Now the former vice-president at Agricore United and grain industry veteran is overseeing new contracts for milling wheat, durham wheat and barley, which launched in January after Bill C-18 was tabled by Agriculture Minister Gerry Ritz in December to create a new voluntary Canadian Wheat Board (CWB).

The voluntary board, beginning in August 2012, will compete with private grain companies and farmers, who would be free to sell their wheat and barley, using futures contracts and forward contracts to stabilize prices, as they wish.

The new ICE contracts are the first of their kind traded in Western Canada since the middle of the Second World War, the year it became mandatory for farmers in Manitoba, Saskatchewan, Alberta and parts of British Columbia to use the CWB to market their crops internationally.

“Before the Winnipeg exchange lost the wheat contract in 1943, there were more wheat contracts traded in Winnipeg than there were in Chicago,” says Vannan, referring to the Chicago Mercantile Exchange, the world’s biggest market for commodities. “It gives you perspective on how important the Canadian marketplace was globally to wheat at that time.”

Almost 70 years later, Vannan believes Canada remains an important global player for wheat and once again deserves its own futures contract in order to establish market prices.

…Despite vocal opposition to the new era of open wheat and barley markets from farmers across the country, including several who served as CWB board members, Vannan says there has been keen interest from producers, grain handlers and mills for the new future contracts. And while some in the industry aren’t interested in “pushing it up the hill,” he believes the majority will participate over time.

…Ultimately, Vannan believes his job is to convince the grain trade in Canada that the coming open market era is an opportunity in the long run that is worth some sacrifice in the short term.

<http://business.financialpost.com/2012/05/01/putting-it-on-ice/>