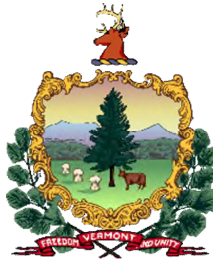

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TRANSCRIPTS: GOVERNOR SCOTT, SECRETARY KURRLE AND COMMISSIONER GOLDSTEIN DISCUSS MONTREAL TRADE MISSION

Montreal, Vt. - Governor Phil Scott, Agency of Commerce and Community Development Secretary Lindsay Kurrle and Economic Development Commissioner Joan Goldstein today highlighted their recent trade mission to Montreal, Quebec, and discussed the partnerships Vermont has with our neighbors to the north.

More details can be found in the transcripts of Governor Scott and his team's remarks, below.

Governor Scott:

Good afternoon.

I wanted to spend a few minutes today highlighting the trip we took to Montreal last week, which was my eighth official visit to Canada as governor.

My team and I met with many businesses to help strengthen relationships and continue to look for opportunities to grow each of our economies.

There are state governments who have offices in Washington to keep a finger on the pulse of what's happening at the Federal level, Vermont does not.

In fact, I don't believe we've ever had an office outside our borders, until now, with our first boots on the ground presence in Montreal, which opened last year.

Canada, and Quebec in particular, is that important to us and while I was there, we met with CIDEP, the team we've contracted with to help connect us with more companies who have an interest in having a footprint in the United States.

And through this work, we have many examples of the benefits for both regions, when we work together.

We believe our Montreal-based office will start more conversations, open more doors, and lead to more opportunities to build on the Quebec-Vermont relationship.

In fact, if you look at our history between Quebec and Vermont, it's fair to say while we may be separated by a border, we're bound by our family connections, shared cultural roots, and many common values and interests.

This includes economic ties.

With \$5 billion in trade, Quebec is Vermont's largest international trading partner, and we're Québec's 2nd largest economic partner in New England.

But our connection goes beyond just trade because we also build things together, something I can appreciate as someone who owned a construction business for 35 years.

About half of all trade with Canada takes place between related companies. Businesses, big and small, have built supply chains in aerospace, IT, construction materials, and more.

And parts, raw material, and natural resources like logs and lumber, frequently go back and forth across the border multiple times before a final product rolls off the assembly line.

This also creates jobs, with about one-third of the workforce in the Northeast relying on the relationship with Canada.

In Vermont, 73 Canadian-owned businesses employed nearly 3,000 people as of 2021.

And let's not forget that tourism also plays an important role in our relationship with Canada.

Before the pandemic, Vermont welcomed more than 2 million Canadians every year, adding more than \$200 million a year to our economy.

And based on the positive reception and feedback we received last week; we can expand those numbers in the future.

We also discussed other opportunities where we can work together on, like combatting climate change.

As you know, Vermont purchases a lot of our electricity from carbon-free Quebec sources.

We've also created an EV charging corridor which will help support Quebec and Vermont's transition to EVs.

And we're leading by example, making sure our state vehicle fleet is at least 50% hybrid or fully electric. And just last week we purchased four new electric busses from a Quebec company.

The other focal point of our trip was due to the Aero Montreal exhibition being held.

We focused on the critical Northeast aerospace corridor. With a lot of help from the Vermont Chamber, we now have a \$2 billion dollar aerospace and aviation industry.

This corridor and the supply chain it's created are vital to our economies with more opportunities on the horizon.

To put this in perspective, Quebec's is almost \$14 billion.

The bottom line is this was a very positive trip after a long absence due to the pandemic, and we thought it was important to renew our efforts with our neighbors to the north.

Secretary Kurrle and Commissioner Goldstein were also on the trip and will have more to say about the opportunities ahead of us.

Secretary Kurrle...

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Secretary Kurrle:

Thank you, Governor. Last week's trip Montreal to attend the Aerospace Innovation Forum, operated by Aero Montreal, and concurrent trade mission served as a great opportunity to finally connect in person with Canadian companies and government officials that we have only been able to engage with virtually over the last few years. Relationships matter. Being able to meet face to face with our neighbors to the north feels incredibly important in our quest to strengthen our trade and rebuild the tourism business we lost during COVID.

The two-day trade mission where I joined the Governor, Deputy Secretary Brooks and Commissioner Goldstein was packed with a variety of opportunities to learn about innovative international companies who have an interest in entering into or bolstering their US market presence.

We also had an opportunity to visit the trade floor at the Aerospace Innovation Forum and conduct some meetings on site and helped support Vermont companies looking to deepen their connections with the Canadian market. There is a lot of potential to expand economic opportunities between Vermont and Canada – especially within the aerospace industry.

Vermont businesses along with our team from the Agency and our international trade partners, the Vermont Chamber of Commerce and US Commercial Services, cumulatively held over 50 meetings with international companies in the aerospace and aviation sector.

Vermont businesses in attendance included Dynapower, G.S. Precision, Kaman, Liquid Measurement Systems, North Country Engineering, Stephens Precision, Tenfold Engineering and Beta Technology.

Meetings with Canadian companies looking to grow into the US market – reinforced that Vermont is an attractive destination. Our proximity to the border and ease of access to Montreal continue to be great strengths as Vermont works to attract these companies. And that access will only get easier as Autoroute 35 – which replaces the old secondary road route is built out with plans to eventually intersect I-89.

As the Governor mentioned, we have our first ever office outside of Vermont. We connected with the team in that office to hear about the work they are doing to continue to attract companies who may have an interest in Vermont, as well as met with the Mayor's office to make introductions and to let them know we have "set up shop" and look forward to strengthening our economic ties and hope to raise our profile as a tourism destination for Canadians.

The Governor also mentioned combatting climate change. Hydro-Quebec provides a considerable amount of renewable energy to our State. That is why we met with Hydro-Quebec representatives during our visit. A strong relationship is important for our future success in this area.

As we continue to work to grow our economy and attract more workers – the events we attended in Montreal give us great hope that the future is bright with our neighbors.

The Agency of Commerce and Community Development remains committed to furthering that work in the years ahead. Overall, our trip was incredibly successful.

We know there is so much work to do, but this was a great opportunity to reset efforts following the pandemic and make ourselves accessible to government and business officials in Canada.

I will now turn it over to Commissioner Goldstein for her perspective of the trip.

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Commissioner Goldstein:

Thank you, Governor and Secretary Kurrle. Canada's impact on the Vermont economy is well established and of great importance to our state. Vermont exported \$830 million in goods to Canada in 2021. Vermont sells more goods to Canada than to its next three largest foreign markets combined — Taiwan, China, and South Korea.

In 2021, Vermont also received \$2.2 billion of imports from Canada. Importantly, 76% of Canadian exports to the US are raw materials, parts, and components used to create other goods made in the United States. So, we know just how important this market is – and why we were happy to be meeting with new companies and innovators who could expand into our state or further bilateral trade.

Our in-market trade representative in Canada – CIDEP – was the result of an ACCD budget ask during the 2021 legislative session – and the first time Vermont has had a full-time presence in Montreal performing recruitment and investment outreach within the province. CIDEP has been hard at work to connect us with companies who are looking to grow. We currently have seven business recruits in the pipeline looking to expand in Vermont.

I also want to call attention to the Vermont State Trade Expansion Program – or STEP – run by the Department of Economic Development. Most of the Vermont small businesses who were on this trade mission utilized the program to subsidize costs associated with attending. STEP awards grants to small businesses for costs associated with entering or expanding into international markets – including activities related to participation in foreign trade missions, export training and compliance, and developing company websites and advertising campaigns to meet the international market. I am happy to announce here today – that the US Small Business Administration has just awarded the Department another \$249 thousand to continue to support Vermont businesses in this way.

So, as we look to the future, we want to continue to encourage Canadian companies to invest here in Vermont and provide Vermont companies with the tools to ensure they are able to explore exporting their products. It is a unique opportunity and relationship, one that can help enhance our communities and grow our economy – as we seek to further Vermont's reputation as a great place to live, work, and play – and attract not just companies but new workforce as well.

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