

Special Report

Opportunities abound in the Great White North

h, Canada!

**Our biggest trade partner is booming
Many in our state will profit from it.**

Will you?





Economic Geography 101

Prince Rupert

Today's lesson in economic geography starts with the northwestern curvature of North America.

In a nutshell, when you head up the Pacific Coast, the farther north you go, the farther west you get. Seattle is a few hundred miles west of Los Angeles, Anchorage is a thousand miles or so west of Seattle, and so it goes until you reach Big Diomed and Little Diomed in the Bering Strait and the narrow channel of seawater that divides North America and Asia.

Along this arc, in the northern mists and mountains of British Columbia, stands Prince Rupert, a town of just 13,000 people. But it is the scene of one of the more audacious development schemes in recent memory, a half-billion-dollar roll of the dice based on a pair of key geographic attributes.

Prince Rupert is blessed with an extraordinary deepwater harbor that is shielded from the full force and furies of the North Pacific by arms of land and a group of sheltering islands. More importantly, the harbor mouth is about 1,000 miles north of Seattle and 458 miles west of it. It is also nearly 700 miles west of the Port of Long Beach in southern California. That puts Prince Rupert one to two days closer to Asia than any other West Coast port in the U.S. or Canada, and the proximity is fueling a \$500 million plan to transform the tiny town into the next great container port in North America.

After the first phase of construction is completed next fall, Prince Rupert will possess the capacity to handle 500,000 containers per year. A second phase is planned to increase capacity to 2 million containers per year, equaling the container volumes now handled by either the Ports of Seattle or Tacoma.

Project sponsors contend Prince Rupert will become the gateway for a massive new transportation and trade corridor linking Asia and the huge markets of inland Canada and the U.S. Midwest.

Will it work? There are many reasons to wonder, and if you are engaged in any aspect of the container business in Puget Sound, you might find yourself worrying about the prospects too. Regardless, if all turns out as the sponsors hope, Prince Rupert will become Exhibit A for our three first rules of economic geography. These are (1) location, (2) location, and (3) location.

Edmonton

Our second lesson takes place at Edmonton International Airport in the western Canadian province of Alberta, where a recent flight from Sea-Tac arrived in just one hour and 42 minutes. The short duration of the flight was surprising. What makes it more than just a travel curiosity is the fact that Edmonton is the jumping off point for one of the biggest economic booms in the history of North America.

North of Edmonton, in an area the size of Florida, the ground beneath the trees of the boreal forest is covered by vast stretches of a smelly, black, sandy substance that literally extends farther than the human eye can see. Once referred to as Alberta's "tar sands," these deposits are now called Alberta's "oil sands." The technical term for the strange dirt is "bitumen."



Today, it is profitable to process bitumen into oil and then into gasoline. Alberta is home to one of the two largest bitumen deposits in the world, the other being in Venezuela.



Bitumen is found at the surface at many places on the earth and it has been put to good use by human beings ever since we first stood upright. Commercial applications literally predate the Bible, and a little bit of bitumen was probably used to waterproof the basket that bore the baby Moses on his fateful journey down the Nile.

Today, it is also possible to process bitumen into oil and then into gasoline. Alberta is home to one of the two largest bitumen deposits in the world, the other being in Venezuela. Oil companies in Alberta dabbled with bitumen processing for decades, but when the barrel price of oil began its dramatic climb a few years ago, the black-gold rush to Alberta was on.

Estimates vary about how much oil the sands hold – and each estimate is enormous. By one standard, there are 150 billion barrels. By another, 175 billion. With foreseeable technologies, it could be more than 300 billion and some otherwise sober-seeming types say the tally could reach a trillion. Even at the smallest number, the known reserves are second only to those possessed by Saudi Arabia.

There is a popular rule of thumb that the oil sands will remain profitable as long as the barrel price of oil remains in the range of \$40. However some grades can be processed for less, and there is a larger practical value to the resource that can be summed up in these three facts:

Christmas is legal in Canada, beheadings aren't, and when they sing the same carols we do, Canadians usually use the King's English.

While we often lose sight of it on our side of the border, the Canadians are more like us than any other people in the world. We share a merged cultural, legal, political, and commercial legacy that dates back to King Alfred the Great – if not before him – and in contrast to all the bad news that has inundated the United States since 9/11, there now comes the happy news that the Canadians might possess as much oil as the Arabs.

In part for this very reason, private investment in the oil sands has passed the \$100 billion mark and some believe it'll reach \$150 billion soon. This leads us to our next lesson in economic geography: it is seldom a bad idea to be 90 minutes by air from an infusion of \$100 billion and being that close to \$150 billion is even better.

Next stop on our journey of economic and geographic enlightenment, Vancouver, B.C., home base for the 2010 Winter Olympic Games.

Vancouver

For many in Seattle, Vancouver is our great urbane neighbor to the north, a city that is so big, so beautiful, so cosmopolitan,



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and so vibrant that the bustle largely obscures a mystery. Economically, what exactly makes Vancouver tick? There is no Boeing in or near Vancouver, no Microsoft, no PACCAR, yet Vancouver bustles at least as much as Seattle does, if not more. For the solution to this puzzle, we will turn once more to geography and the related topic, climate.

Vancouver shares Seattle's climate. And while most of us would offer condolences to our neighbor for sharing this burden, Canadians see it much, much differently. Vancouver stands on the southern shore of Canada's Pacific Coast and it lacks the one thing all the other major Canadian cities have: a long, very cold winter.

Canadians joke about "cold" the way Seattleites joke about "rain," but there are two big differences between the two. They are called "snow" and "ice." The Canadian federal government offers visitors the following warning on the website for its national weather service.

"We may joke about winter, but winter weather is no joke. Bitter cold and winter storms kill more than 100 people in Canada every year. That is more than the number of Canadians killed by tornadoes, thunderstorms, lightning, floods, hurricanes and heat waves combined."

In the deep-freeze that envelops most of Canada every winter, Vancouver looms as a balmy la-la land. In the winter gloom, it can hold an allure like the one San Diego holds for some of us – as a nice, warm place you can picture yourself moving to. Moreover, when Canadians make the trek it's often because they have enough money to do so – and they bring their money with them.

Most of us have heard that Vancouver also functions as a safe haven for wealthy Asian expatriates, and it does. But climate still offers a key to the city's vitality, a link that can be illustrated by a quick Internet check of regional weather conditions.

On a Saturday afternoon last January, it was unseasonably cold, both in Seattle and Vancouver, with temperature a chilly 28 degrees. At the same time, Calgary was 16 degrees above zero; Edmonton was at zero, and in Fort McMurray, the hub of the oil fields north of Edmonton, the temperature was 20 below zero. To give you an idea how cold Canada can be, on the same afternoon the town of Barrow on the Arctic Coast of Alaska's North Slope was 14 above zero – 34 degrees warmer than Fort McMurray.

The Winter Games will pump an estimated \$10 billion to \$8 billion into British Columbia, with skiing in the nearby mountains, while at the same time sea-level Vancouver remains nice and toasty. As with the oil sands, the infusion will generate spin-off growth for years to come. And this is all taking place just past our northern doorstep.

Yellowknife

Canada is a great mining nation and the world demand for raw materials makes this a banner period for mineral prices. The value of Canada's mineral output grew to a record \$26.4 billion in 2005, up from \$24.3 billion in 2004, and while the final returns aren't in, it is believed 2006 was another record year. Canadians also play a major role in worldwide mineral production, with Canadian companies operating in more than 100 other nations. As it does with oil, Canada comes with a premium for mining thanks to its political stability. In 2006, 20 percent of all mineral



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Like charity, trade is best when it begins near home. It is our great luck to share border crossings with one of the world's fastest-growing regional economies. And it's not a bad time to start brushing up on Canadian.

exploration in the world took place in Canada and it leads the world for mining investments.

None of that is probably too surprising, but this next factoid might be.

Canada is now the third largest gem diamond producer in the world, trailing only Russia and Botswana, and there is a chance it will soon become number two when another major new mine opens. No diamond mines existed in Canada until 1998, when the Ekati mine went into operation about 180 miles north of Yellowknife in Canada's Northwest Territories. Today, diamond mining accounts for about \$2 billion per year and for about 5,000 extremely well-paid jobs in a region that badly needs them.

The diamond mines have also added to the bottom line of Seattle-based B&G Machine, a company that rebuilds diesel engines. B&G did no business in Canada until 1998, when it set out to build a customer base in Vancouver. Today B&G schedules two truck trips per week to serve Canadian customers and its customer list extends to the diamond mines north of Yellowknife, 1,200 miles north of the company's home base in Seattle. "Our Canadian business is at capacity," said B&G's vice president, Johnny Bianchi. "We couldn't handle any more business than we're already doing."

The Bottom Line

So, hooray for B&G Machine and all the other businesses that may find a niche in one of Canada's booming marketplaces. What's in it for the rest of us? Well, this. When Canadians do well, no people in the world do better than Americans because Canada is, by far, our nation's largest trade partner.

It does not possess the cachet or potential consumer markets of China or Japan, but year in and year out Canada is the largest market for U.S. exports. It accounted for \$211 billion in U.S. exports in 2005, far surpassing Japan and China. Combine Canada's figures with Mexico's and the total brought in by our North American neighbors added up to \$331 billion. That was more than the combined total of \$321 billion for the next ten largest markets for U.S. goods (in order, Japan, China, the United Kingdom, Germany, South Korea, the Netherlands, France, Taiwan, Singapore, and Belgium).

Because Washington State exports are so heavily boosted by

airplane sales, Canada usually ranks as our state's second largest export market after Japan. But take airplanes out of the mix and Canada is invariably the number one for everything made in Washington that doesn't have wings, and the present Canada bonanza shows up dramatically in key manufacturing sectors for our state.

State exports to Canada grew overall by 22 percent between September of 2005 and 2006. That's double the rate of growth for state exports to other world markets, and the Canadian growth was strongest in key industrial sectors such as manufactured machines, up 32 percent, primary metals, up 26 percent, and fabricated metal products, up 26 percent.

Thomas Friedman makes a great case that today's economic world is flat, but the real world isn't. As Columbus discovered in 1492, the world is round, and unless you can conduct your business solely over the Internet proximity still matters, along with oceans, mountains, climate, and all the other geographic features of the real world.

Like charity, trade is best when it begins near home. It is our great luck to share border crossings with one of the world's fastest-growing regional economies. And it's not a bad time to start brushing up on Canadian.

Consider the case of Partners, a food processing company founded in Seattle to make high-end, low-fat crackers. In 2000, Partners rented a booth at a local food show sponsored by the National Association for the Specialty Food Trades. A Canadian food broker stopped by, liked the crackers, and suggested Partners should try to crack Canada. Partners did, and the rest is now company history. Fueled in part by its soon booming Canadian trade, Partners grew from 15 workers to 100 and it has doubled its sales in each of the last two years, necessitating a move to a larger production plant in Kent.

"Canada was a great first export market experience for us," says Cara Figgins, Partner's vice president for sales. "They speak the same language, they attend the same trade shows, and it's easy to ship across the border."

It may sound a bit like "coals to Newcastle," given Canada's own role as a food-processing powerhouse. But Washington exports of food products to Canada grew by 50 percent in the last five years, growing from sales of \$200 million to \$300 million.

Not bad, eh? ■



Fort McMurray – Center of the Universe Brutal Cold and Shortages of Nearly Everything – Except Money, Oil & Controversy

Veteran Northwest journalist Morris Malakoff is a dual citizen of Ireland and the United States and a hopeless enthusiast for the sports of curling and ice hockey. This means he probably knows more about Canada than 99 percent of the rest us. Last summer *Seattle Industry* dispatched Malakoff to Fort McMurray to research the oil sands and also to bring back a cultural report that might help our readers better understand all things “Canadien.” His reports follow.

* * *

Fort McMurray is now North America’s most famous boomtown, and one of the biggest booms seems to be in the sale and distribution of “help wanted” signs. The signs hang in the windows of nearly every storefront throughout the town and the curbsides are crowded with portable readerboards with large movable letters in garish colors of green, yellow, and red. At midday, some stores and offices are closed owing to staffing shortages. The businesses that are open seem to be transplanted from Communist-era Moscow, with long lines of customers waiting for basic consumer goods that are often in short supply or missing altogether.

A taste of the problem is supplied by the simple act of trying to get a cup of coffee at the new Tim Hortons outlet in Fort McMurray. Tim Hortons is a coffee and donut chain that is a national institution in Canada. The new outlet resorted to offering iPods as a bonus to lure new employees, but the store still struggles to serve its customers. Pickup trucks and SUVs were lined up 20 at a time for service at the drive-through window. The line for in-store service snaked around the outside of the building and just to get a cup of coffee required a 40-minute wait.

One patron in the early morning queue was outfitted in the work boots and mud-stained pants that comprise the uniform of the working class in northern Alberta. “Well,” he said. “If you think this is bad, it’s better than the wait at Starbucks.”

He was proven right by a trip across town to the Starbucks outlet in a Safeway grocery store. A single employee behind the counter kept apologizing to customers about the wait, saying continually, “I had two people scheduled to work today, but they quit for other jobs.”

That is the mantra in a town where Burger King and McDonalds advertise a starting wage of \$14 an hour plus benefits but still suffer worker shortages.

Twenty years ago, Fort McMurray was a town of just 6,000 souls located at the junction of several roads that linked mining camps and villages scattered sparsely throughout the low, scrub-like, arctic boreal forest that extends for tens of thousands of square miles

across northern Alberta. Today, the town is occupied by 60,000 people and it stands at the center of a universe based on sea-like stretches of oily sand that tug at Canadian national politics and all the geopolitical considerations connected with the issue of global energy supplies.

As with any boom, there are very large asterisks that should be applied to just about every aspect of the oil sands. But there are also a few central facts that are beyond dispute. There are billions and billions of barrels of oil contained in the sands. There is enormous economic and political pressure to get as much oil out as quickly as possible, and a primary impediment to development is a shortage of human beings with the skills necessary to extract, process, and refine the black, sandy, smelly substance that north of Fort McMurray covers an area the size of Florida.

Fort McMurray may be one of the few places in the world where money is almost literally no object. Billions of dollars are available for investment and it’s estimated that somewhere around \$120 billion was invested in just the past three years. But dollars alone can’t do the work, and while the shortage of service workers in Fort McMurray may be a pain in a consumer’s backside, the shortage of skilled workers in the oil fields threatens the whole enterprise.

The Canadian national government predicts 35,000 more skilled industrial workers will be needed just to complete the projects already planned, and right now companies are failing to find them.

Combined with falling oil prices, which have receded to about \$50 a barrel, there are whispers that the bust side is already coming to an industry notorious in Alberta for previous booms and busts.

Not everyone agrees, and some big factors argue to the contrary.

The U.S. is, and will be, the primary market for Alberta’s oil, and the value of the resource can’t be calculated by near-term ups and downs in oil prices. The oil sands now produce about

500,000 barrels per day and production is projected to grow to 3 million barrels per day by 2015. To put it in perspective, that rate would equal about 1.1 billion barrels per year, to equal the amount imported to the U.S. in 2006 from Saudi Arabia, Venezuela, and Iraq combined.

The oil sands will never make the U.S. energy independent but the resource has the potential – at least on paper – to make the U.S. far less dependent on countries it doesn't want to depend on. None other than Vice President Dick Cheney has said that the oil sands are a “pillar of sustained North American energy and economic stability.”

Then again, the terms “North America” and “United States” are not synonymous.

A Chinese firm bought a share in a small oil-sands developer last year and the national Chinese oil company, PetroChina, is searching for a way to build a new \$2.5 billion oil pipeline between Edmonton and the Pacific Coast. It is not up to Washington, D.C., to determine what happens with the oil sands. It's up to the Canadians, and a growing in-house debate is well underway about how to proceed from the perspective of Canada's own self-interest.

“I don't see the geopolitical problems going away anytime soon,” Bart Melek, a senior economist with BMO Capital Markets, told *Canadian Business* magazine. “The only question is whether energy companies are going to make a lot of profit or an insane amount of profit.”

Watching with shock and awe as all of this occurs is virtually every environmental group on the planet. To better understand the environmentalist perspective, look at it like this:

If you fear the impacts of global warming and believe it is caused by burning fossil fuels ...

If you want to encourage greater use of alternative fuels, and feel that dwindling worldwide oil supplies and global warming are the best one-two punch in favor of converting to them...

If you like forests and other landscapes to remain as much as possible in their pristine states...

If you have a special place in your heart for animals that remain free in natural habitats...

If you believe and/or feel any of these things, there is absolutely



Photo: Global Forest Watch Canada

The scale of the surface mining just to scrape up the sands is now so gargantuan it can be seen by cameras on satellites in outer space.

nothing to like about the oil sands and their potential to extend the Oil Age and the reign of Hydrocarbon Man (and Woman).

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In a recent interview, Elizabeth May, the Leader of the Green Party of Canada and former Executive Director of the national Sierra Club of Canada, summed up her feelings this way:

“From a forests perspective, the Athabasca tar sands represents a complete removal – deforestation in a real sense – of thousands and thousands of hectares for every single mine, so it's got an immediate impact on forests... [It also has] an immediate impact on caribou habitat, an immediate impact on migratory bird habitat, and a very significant impact on the availability of water throughout the region as it's a very large consumer of water... [It is also] producing air pollution that's resulting in acid rain and acidification in northern Saskatchewan. It's producing toxic emissions which at this point some doctors believe are associated with the cancer spike of rare cancers in Fort Chipewyan. On top of all that, it's a major greenhouse gas producer.”

May's views are virtually unanimous among members of the Green Party, based in Ottawa. Then again, Ottawa is 3,500 miles to the east of Fort McMurray.

The official symbol of the province of Alberta is a cowboy on a horse, and that begins to tell you something about the distance between Alberta and Ottawa to the east or, for that matter, Vancouver to the west. Alberta is regarded as the Canadian province that is culturally most like the United States.

Calgary – home of the annual Calgary Stampede – hosts an official picnic every Fourth of July to honor the 20,000 or so U.S.



A brief etymology

Researched by Pam Romine

It may seem like the most quintessentially Canadian phrase, but many of the world's languages share some version of *eh?* In French, Italian, Dutch, Japanese, the Maori language of native New Zealanders – or even American – it is a way to ask “Huh?” or “What?” or to exclaim, “Hey!”

According to the Canadian Oxford Dictionary, the only use that seems exclusive to Canadians is the one that comes with the distinctive inflection for “ascertaining the comprehension, continued interest, agreement, etc., of the person or persons addressed.”

A couple of examples: “It's four kilometers away, eh, so I have to go by bike.” Or, “It's nine o'clock, eh?” meaning “You do know that it's nine o'clock?” Or it could also be taken as an actual question, such as “It's nine o'clock, right?”

U.S. usage often carries a malicious tone, as in “You want a piece of me, eh?” ■

citizens who work in the city. Most of the expatriots are from Texas, Oklahoma, and Louisiana, and they work in the corporate suites of the oil industry.

In the last elections, the Conservative Party in Alberta pulled an astonishing 65 percent of the vote. That was nearly triple the Conservative vote for the nation as a whole and it nearly doubled the 37 percent Conservative vote in neighboring British Columbia.

The Conservative landslide in Alberta in 2006 helped propel Canada's conservatives to national leadership for the first time in many years, and the post of Prime Minister went to Stephen Harper, a member of the House of Commons. Harper is from Calgary. For a region that has long felt neglected by the powers-that-be back east, the election and the oil sands combined to justify a very loud and proverbial "Yeehaw!"

The oil sands have turned Alberta into an economic powerhouse with a provincial budget surplus of around \$10 billion, and Alberta's riches are felt throughout the neighborhood.

According to Landcor, a land-assessment service based in British Columbia, Albertans purchased 2,219 properties in B.C. during the first six months of 2006, with a value of more than \$650 million. Albertans accounted for more real estate purchases in B.C. during that period than buyers from California, Washington, and Ontario combined.

On Vancouver Island, resort communities adjacent to the popular Gulf Islands have drawn so many vacationers and buyers from Alberta that the Canadian discount airline WestJet has begun service from Edmonton and Calgary to the small town of Comox, 60 miles north of Victoria, using newly purchased Boeing 737s.

Vancouver was already suffering from a serious labor shortage in meeting the construction needs related to the 2010 Winter Olympics that will take place in British Columbia. The Alberta boom has made the shortage worse.

To top it off, Alberta is not only "rich." It's also "young." Nearly 60 percent of Albertans are under the age of 40 and over 60 percent have a university degree. Internet usage is the highest in Canada. Calgary has more corporate headquarters per capita than Toronto, and the provincial tax rate is, on average, 45 percent below the rest of the country.

It won't last forever and it may not last for long, but Alberta has emerged as a center of national gravity in Canada – and Alberta turns around Fort McMurray.

In both the province and the town, the concerns about the oil sands are almost solely practical ones. The philosophical questions and many of the environmental ones went out the window about when the barrel price of oil rose above \$20 and the experts could see it would soon be profitable to wring oil from the sands on a massive scale.

In the summer, Fort McMurray looks a lot like Yakima or Wenatchee, but it is confronting challenges and opportunities on a scale most cities would find unimaginable. Over the past ten years, the town's population grew from 34,000 to 60,000 and the population is expected to double over the next five years. The resulting housing, utility, road, and school shortages are palpable



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as you walk through town, and the civic drawing boards are full of new construction projects for all types of residential, commercial, and public purposes.

One project will construct a pair of towers with residential condominiums. At 36 and 31 stories, these towers will dwarf the current downtown where no existing building even approaches 10 stories. In fact, the towers will stand second only to a 52-story building in Oslo, Norway, as the tallest buildings in the world at such a northern latitude. When completed, the residential units will go for at least \$1 million each.

A facility is also planned that will be one of the world's largest indoor recreational centers. It will be built on an island in the Athabasca River on the edge of town. It will span 400,000 square feet and will include three full-sized ice rinks, 12 lanes for curling, a 300-meter track, gyms, meeting rooms, restaurants, and a public library.

The reason for the massive indoor center is the same one affecting the shortage of labor. Fort McMurray suffers winters that are brutally cold. All of the province lies south of Anchorage, but Albertans claim their province is colder than Alaska and it often is.

It's tough to draw workers, but the Canadians are trying and thousands of job openings are now approved for applicants from other countries. Most jobs in the oil fields come with subsistence allowances of up to \$135 a day. Put it together with signing bonuses and hourly rates and many skilled workers around Fort McMurray are earning more than \$120,000 per year.

To make the winters more tolerable, most workers are on split shifts, with extended stays back home for R&R. Many workers commute between the oil sands and Canada's Maritime Provinces, which are nearly 4,500 miles to the east. So many workers follow this route it has led to a joke that Fort McMurray is now the second largest city in Newfoundland.

Recruiting efforts aimed at workers have so far concentrated on Canada, Eastern Europe, Asia, and Venezuela. If the severe labor shortage continues, it's only a matter of time before recruiters begin looking on our side of the border, and by air, Fort McMurray is only a half-day away from Sea-Tac.

But if you want to get in on the boom, be forewarned.

Make sure you secure housing before you head north. About 450 people are homeless in Fort McMurray at any given time because they failed to line up housing prior to their arrival.

And, if you're a coffee drinker, pack a large thermos, because for most of the year it's brutally cold and the lines at Tom Hortons probably won't get shorter anytime soon. ■

Parlez-vous Canadian?

A Cultural Primer



On the surface the USA and Canada may seem like twins, but there are real differences between the two. Here are a few tips that will boost your ability to speak Canadian and/or Canadien – and yes, in Canada, at least on paper, they really must account for both languages.

GOVERNMENT. The people of Canada and the U.S. are both represented by national legislatures with two parts, a Senate and a House. But in Ottawa the Senate is appointed by the Governor General – more about that in a minute. Members of the House of Commons are all elected and the party with the most seats picks the House member who will serve as Prime Minister. When someone in Canada refers to “the government,” they usually mean the governing party of the moment, not the bureaucrats in Ottawa, the nation’s capital.

LIZ. The PM is the head of government, not the “head of state.” Canada’s head of state resides in London, England, and right now her name is Liz. The Queen or King of England is represented in Canada by a Governor General who appoints all members of the Senate subject to consultation with the PM. The Queen or King still packs a wallop when it comes to national tone, culture, and what’s considered “proper.” This is why royal scandals are such – well, royal scandals.

POLITICAL PARTIES. Conservatives are similar to Republicans down here, liberals are like Democrats, but the presence of other small parties, like the Greens, removes some of the extremists who are often part of the Democratic family down here. The “PQ” is the Parti Québécois, those who traditionally support a separation of the French and Canadian culture, if not the complete province of Quebec.

PROVINCES. Not exactly the “states” found in the U.S., the provinces of Canada are autonomous to a greater degree, each with its own government and legislature.

LAW AND ORDER. When someone mentions “the crown,” they mean the government, particularly in the law courts. Although Canadians share the U.S. tradition of English law, there are cultural differences about priorities. A common remark in Canada goes: “Canadian Customs officers want to know if you are carrying a firearm, and U.S. Customs officers want to know if you have ever smoked pot.”

MOUNTIES. They only wear the traditional red coats for ceremonial occasions. Those are also the times they ride black horses. Otherwise, it’s a blue uniform, four tires, and a ticket book. Drive too fast outside a large city in Canada and the law enforcement officer who pulls you over will often be a member of the Royal Canadian Mounted Police.

HOCKEY NIGHT IN CANADA. Yes, the game is the national obsession. Even the smallest crossroads towns in the middle of nowhere have rinks. Canadians still account for the majority of players in the National Hockey League, but the percentage is dropping, thanks to better U.S. players and more players from Eastern Europe and Russia.

LOONY CURRENCY. Even the business reporters on television will refer to it as the “Loony.” It is the Canadian dollar. It was given that name not because it’s crazy but because the bill is adorned with a waterfowl known as the loon. Much maligned over the past few decades due to its weakness, the loony is now rebounding to approach par with the U.S. dollar.

MAC & CHEESE. More than 100 million boxes of Kraft Dinners are sold in Canada every year and the dish is featured on television cooking programs and even in popular culture, with mentions in popular music. It’s not the healthiest dish around, but it is warm and hearty on a cold winter afternoon in the far north.

PARLEZ-VOUS FRANÇAIS? Every government record, decree, piece of merchandise, and label in the country is printed both in French and in English, yet less than a quarter of the population claim French as their mother tongue. Most who do live in Quebec, but they are a major voting bloc, so equal rights abound. ■