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Canada–Caribbean Community and Common Market (CARICOM)

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***Canada–Caribbean Community
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(Trade and Investment Series)***

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The Library of Parliament ***Trade and Investment*** series provides information on Canada's trade and investment relationship with selected countries. Particular attention is paid to bilateral merchandise trade, trade in services, and foreign investment. These publications are prepared by the Parliamentary Information and Research Service, which carries out research for and provides information and analysis to parliamentarians and Senate and House of Commons committees and parliamentary associations.

* Émilie Gravelle, formerly of the Library of Parliament, contributed to the preparation of this document.

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Merchandise Trade

The Caribbean Community and Common Market (CARICOM) consists of 15 countries: Antigua and Barbuda, the Bahamas, Barbados, Belize, Dominica, Grenada, Guyana, Haiti, Jamaica, Montserrat, Saint Lucia, St. Kitts and Nevis, St. Vincent and the Grenadines, Suriname, and Trinidad and Tobago.

In 2010, Canada's bilateral merchandise trade with the CARICOM countries totalled \$2.4 billion, consisting of \$0.8 billion in Canadian exports to, and \$1.6 billion in imports from, the CARICOM countries. In that year, the CARICOM countries were, collectively, Canada's 26th largest export destination and its 32nd largest source of imports.

Trinidad and Tobago, the Bahamas and Jamaica were the main destinations for Canadian exports to CARICOM countries in 2010. Together, these countries accounted for 72% of total Canadian exports to the region. In that year, Suriname, Trinidad and Tobago, and Guyana were the major sources of CARICOM imports into Canada, accounting for 83% of Canadian imports from the region.

Quebec was the largest provincial exporter to CARICOM countries in 2010, with exports valued at \$340.2 million, accounting for approximately 44% of Canadian exports to the region. Other leading provincial exporters to CARICOM countries in that year were the Atlantic provinces and Ontario.

Figure 1

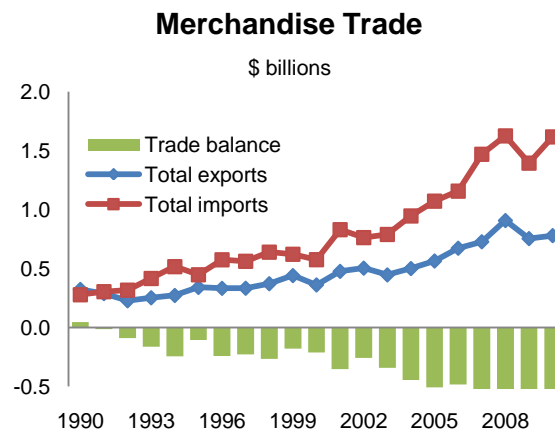


Figure 2

Importance to Canada

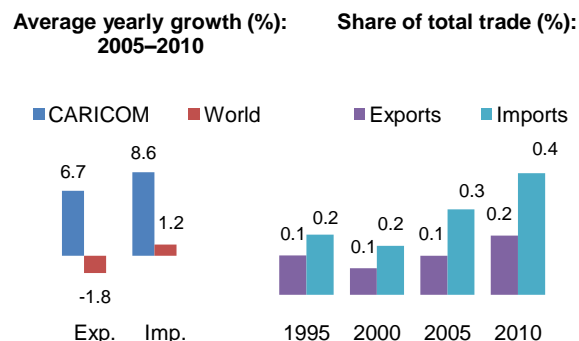
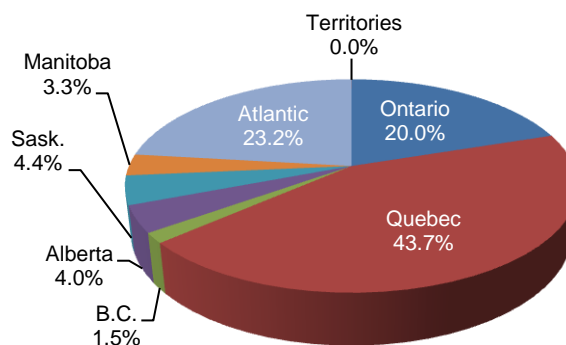


Figure 3

Exports by Province/Territory – 2010



All figures were prepared by the author using Statistics Canada annual figures as of spring 2011.
The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Products

In 2010, the two most important Canadian export product categories to CARICOM countries were ores, slag and ash, as well as energy and related products. These exports were valued at \$176.9 million and \$122.9 million respectively.

There have been some notable changes in Canada's major export products to CARICOM countries in recent years. For example, while ores, slag and ash were the most important Canadian exports to CARICOM countries in 2010, Canada only began exporting these products to the region in 2001; in 2005, these exports were valued at \$10.1 million. Furthermore, Canadian exports of energy and related products were negligible until 2005, when they were valued at \$21.8 million.

In 2010, Canada's three major import products from CARICOM countries were precious metals, jewellery and coins; energy and related products; and inorganic chemicals. In that year, imports of these products were valued at \$788.4 million, \$246.2 million and \$214.5 million respectively.

Imports of gold from Suriname and Guyana made up nearly all of Canada's imports of metals, jewellery and coins in 2010, while Trinidad and Tobago was the primary source of liquefied petroleum and hydrocarbon gases, which made up the majority of imports of energy and related products. Imports of inorganic chemicals, which consisted almost exclusively of aluminum oxides and hydroxide, were primarily from Suriname and Jamaica in that year.

Figure 4

Major Export Products

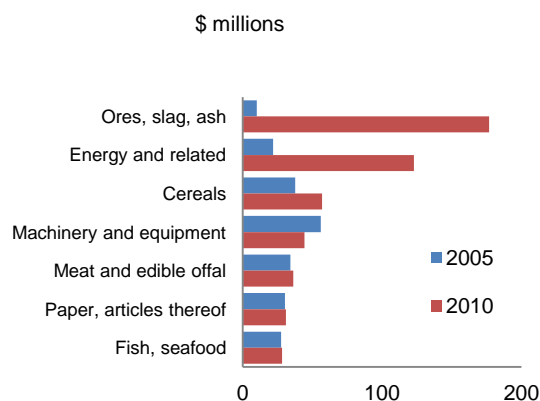
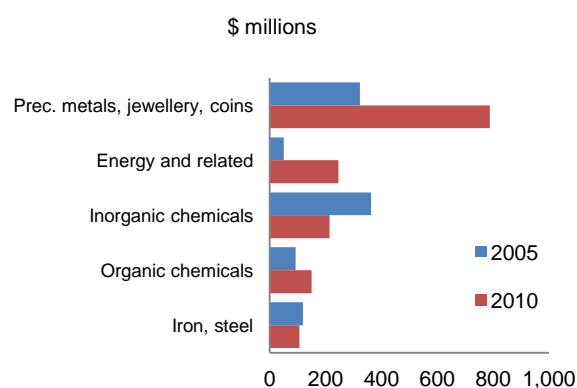


Figure 5

Major Import Products



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Services and Investment

In 2009, the latest year for which data are available, the total value of trade in services between Canada and the CARICOM countries exceeded the total value of merchandise trade. While total merchandise trade had a value of \$2.4 billion in that year, trade in services was valued at more than \$3.1 billion: nearly \$1.4 billion in Canadian services exports to, and almost \$1.8 billion in services imports from, the CARICOM countries.

Commercial services were the most significant services traded between Canada and CARICOM countries in 2009, representing 80% of total Canadian services exports to these countries and 57% of total services imports from them.

Canada had a deficit in its trade in services with the CARICOM countries every year between 1990 and 2009, with the value of the deficit ranging from \$247.0 million in 1990 to \$783.0 million in 2004. The deficit was valued at \$402.0 million in 2009.

The CARICOM countries represent a significant destination for Canadian direct investment abroad. In 2010, the stock of Canadian direct investment in the region totalled \$73.0 billion, comprising 12% of Canada's total direct investment abroad in that year. Over the 2005 to 2010 period, the stock of Canadian direct investment in the CARICOM countries increased at an average rate of 10% per year.

The CARICOM countries are not a significant source of foreign direct investment in Canada, with the stock of investment in Canada from these countries totalling \$705.0 million in 2010. From 2009 to 2010, the stock of CARICOM investment in Canada decreased by 39%, from its previous level of \$1.2 billion.

Figure 6

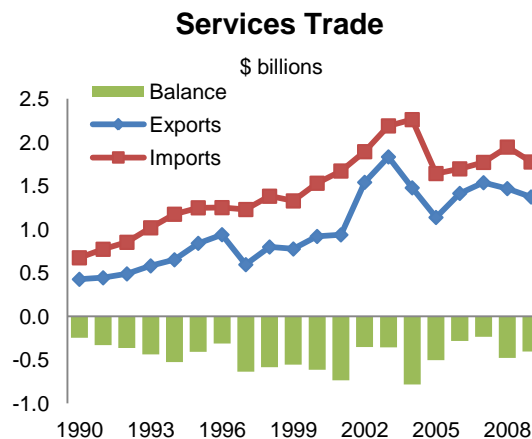


Figure 7

Services Trade by Type – 2009

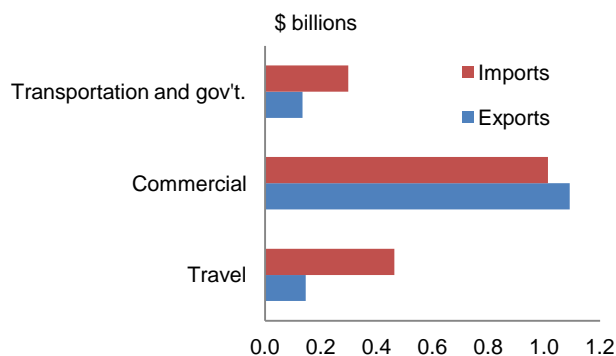
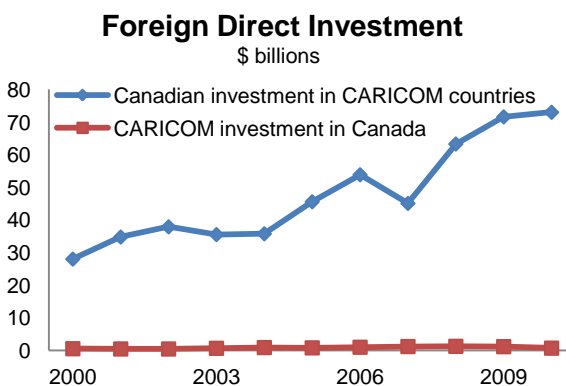


Figure 8



All figures were prepared by the author using Statistics Canada annual figures as of spring 2011.
The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.