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## TRADE AND INVESTMENT



### ***Canada–Venezuela***

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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.

\* Andrew Deruga, formerly of the Library of Parliament, contributed to the preparation of this document.

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## Merchandise Trade

In 2010, Canada's bilateral merchandise trade with Venezuela totalled more than \$1.3 billion, comprised of \$559.2 million in exports to, and \$784.3 million in imports from, Venezuela.

In 2010, Venezuela was Canada's fourth largest export destination in South America (a region that includes 14 countries) and its 33<sup>rd</sup> largest export destination worldwide. It was also Canada's fifth largest source of imports in South America and its 44<sup>th</sup> largest source of imports in the world in that year.

Over the 2005 to 2010 period, the average annual rate of decrease in the value of Canada's exports to Venezuela was 4%, compared to 1.8% worldwide, and the average annual rate of decrease in the value of imports from Venezuela was 15.6%, compared to an average annual increase of 1.2% in the value of imports globally.

In 2010, Saskatchewan, Quebec and Alberta accounted for 73% of Canada's total exports to Venezuela. In that year, the value of exports from these three provinces totalled \$174.3 million, \$144.2 million and \$88.2 million respectively.

Ontario's and British Columbia's share of provincial exports to Venezuela declined from 2005 to 2010. In 2005, Ontario and British Columbia accounted for 43% and 9% respectively of provincial exports to the country, whereas they accounted for 9% and 3% respectively in 2010.

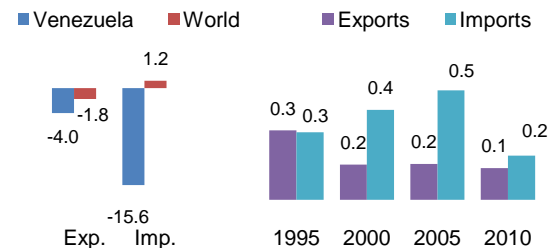
### Figure 1



### Figure 2

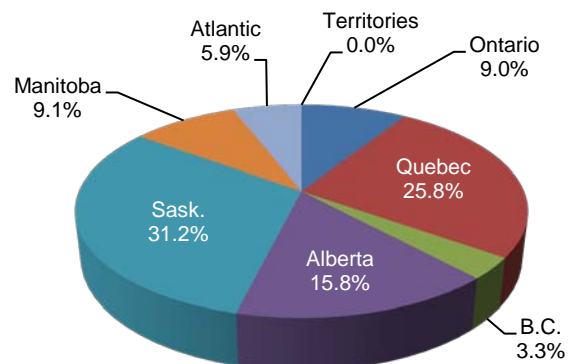
#### Importance to Canada

Average yearly growth (%): 2005–2010      Share of total trade (%):



### 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, resource-based products accounted for 59% of the value of Canada's exports to Venezuela, while manufactured goods represented the remaining 41%. The composition of Canada's exports to the country has remained relatively similar since 2005, when resource-based products and manufactured goods accounted for 66% and 34% respectively of the value of Canadian exports to Venezuela.

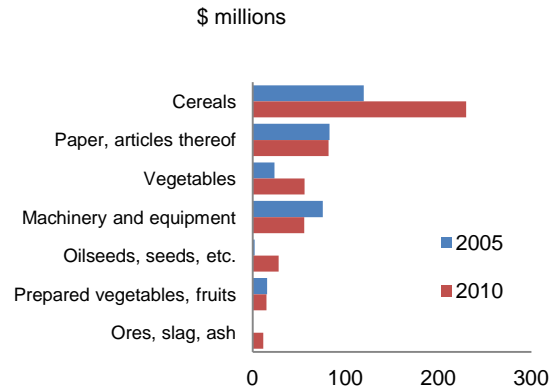
Canada's highest-valued export products to Venezuela in 2010 were wheat, newsprint, and dried and shelled vegetables. The value of Canadian wheat exports to Venezuela has experienced significant growth in recent years, representing 17% of the value of Canadian exports to that country in 2005 and 40% of the value in 2010.

In 2010, 78% of the value of Canada's imports from Venezuela consisted of resource-based products, a proportion that has increased by 11 percentage points since 2005. With Canadian imports from Venezuela being dominated by energy products, the value of imports of crude petroleum oils, at \$604.0 million, accounted for 77% of the value of imports from the country in 2010. Canada's highest-valued import products from Venezuela in that year were crude and non-crude petroleum oils.

In 2010, Canada's \$225.1-million overall trade deficit with Venezuela was due largely to Canadian imports of Venezuelan petroleum oils.

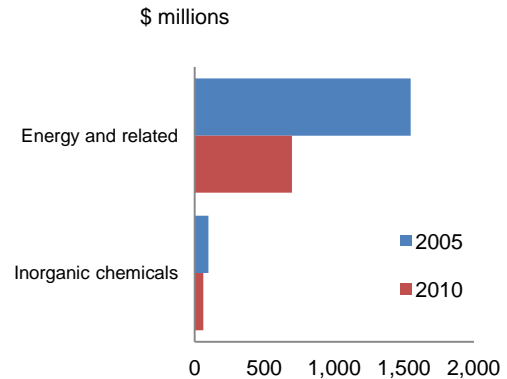
### Figure 4

#### Major Export Products



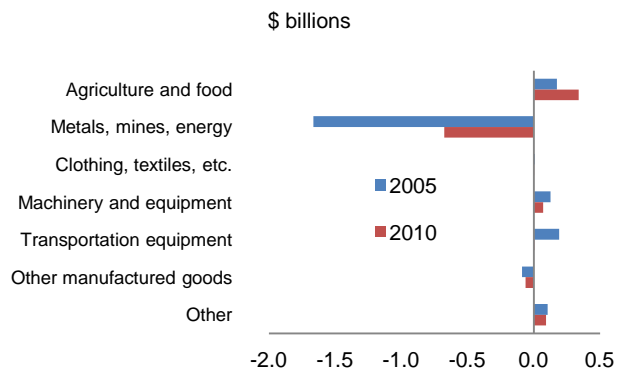
### Figure 5

#### Major Import Products



### Figure 6

#### Balance by Category



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## Services and Investment

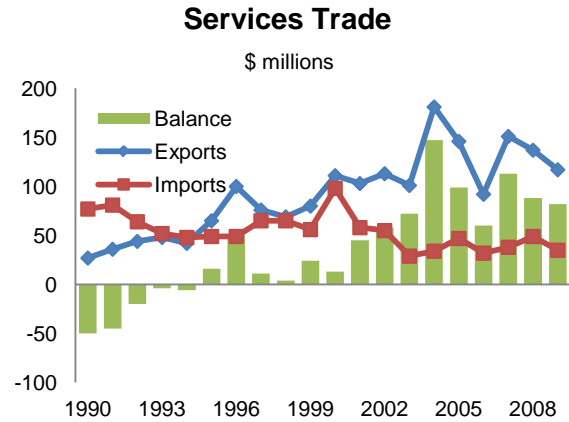
Canada's services trade with Venezuela is not well developed. In 2009, the most recent year for which data are available, Canada exported \$117.0 million in services to, and imported \$35.0 million in services from, Venezuela. The value of Canadian services exports to, and services imports from, the country was somewhat volatile over the 2000 to 2009 period.

Travel and commercial services have accounted for the majority of Canadian services exports to Venezuela in recent years. In 2009, travel and commercial services exports to the country were valued at \$51.0 million and \$45.0 million respectively. Imports of services from Venezuela are relatively low, and in 2009 consisted mostly of transportation and government services as well as commercial services, valued at \$17.0 million and \$11.0 million respectively.

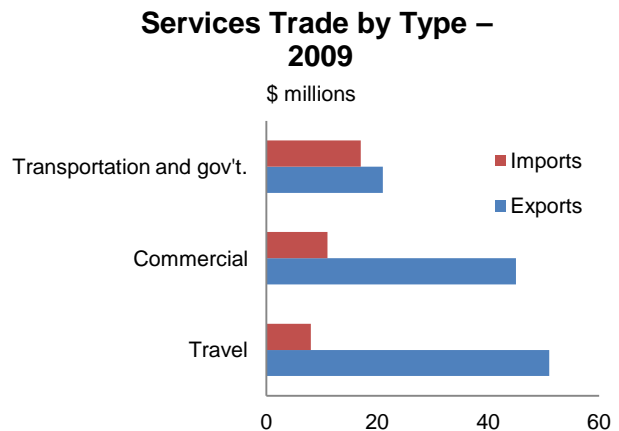
The stock of Canadian direct investment in Venezuela totalled \$399.0 million in 2010, making it the 46<sup>th</sup> largest destination for Canadian direct investment abroad. From 2004 to 2009, Canadian direct investment in Venezuela increased by 111%, rising from \$479.0 million to \$1.0 billion. However, from 2009 to 2010, Canadian direct investment in Venezuela decreased by 61%, falling to \$399.0 million.

*Data on Venezuelan direct investment in Canada are not available.*

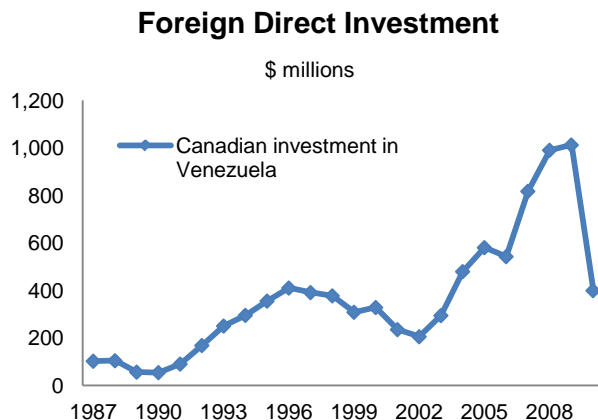
### Figure 7



### Figure 8



### Figure 9



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