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# TRADE AND INVESTMENT



## ***Canada–Norway***

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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.

\* Simon Lapointe, 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 Norway totalled \$5.3 billion, comprised of \$2.5 billion in exports to, and \$2.8 billion in imports from, Norway.

Norway was Canada's 10<sup>th</sup> largest destination for exports globally in 2010, and its fourth largest export destination in Western Europe, a region that includes 22 countries. In that year, it was Canada's 16<sup>th</sup> largest source of imports worldwide, and its sixth largest source in Western Europe.

The value of Canada's exports to Norway as a share of the value of Canada's total exports has increased in recent years, rising from 0.3% in 1995 to 0.6% in 2010. The value of Canada's imports from Norway as a share of the value of Canada's total imports has decreased over time, falling from 1.0% in 1995 to 0.7% in 2010.

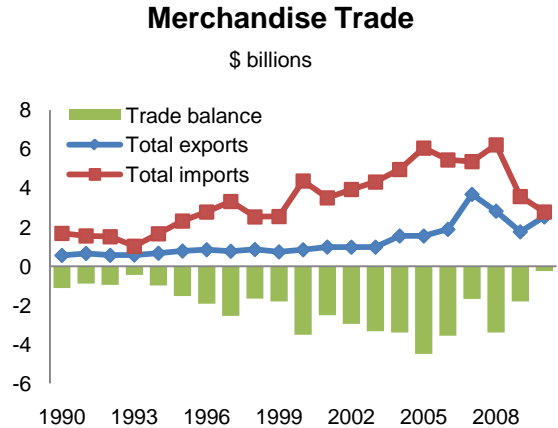
Over the 2005 to 2010 period, the value of Canada's exports to Norway grew at an average annual rate of 10.3%, compared to a decrease of 1.8% worldwide. Between 2009 and 2010, the value of these exports increased by 43%.

However, the value of Canada's imports from Norway declined at an average annual rate of 14.4% over the 2005 to 2010 period, compared to an increase of 1.2% worldwide. The value of Canada's imports from Norway decreased by 20% between 2009 and 2010.

Ontario was the largest provincial exporter to Norway in 2010, with exports valued at \$2.2 billion, followed by Quebec and Alberta, with \$205.4 million and \$42.5 million in exports respectively.

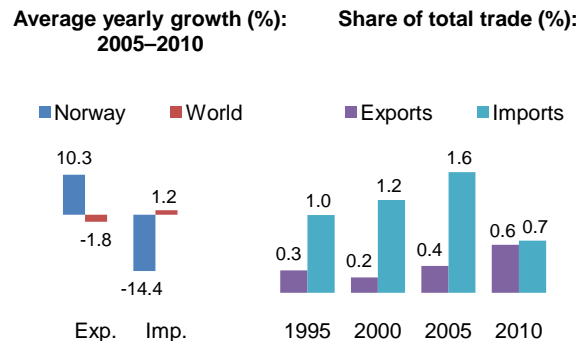
Over the 2005 to 2010 period, Ontario, Quebec and Alberta were the fastest-growing provincial exporters to Norway; the value of their exports grew at average annual rates of 10%, 26% and 3% respectively.

### Figure 1



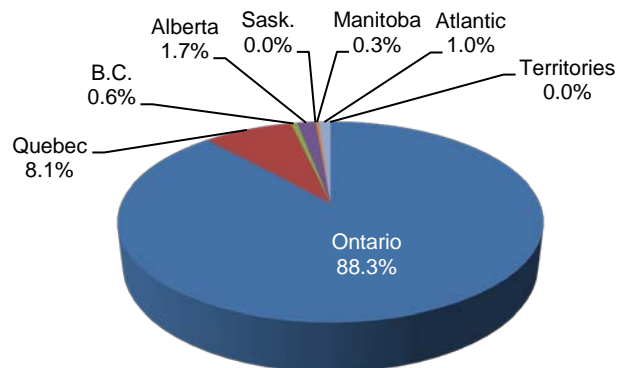
### Figure 2

#### Importance to Canada



### Figure 3

#### Exports by Province/Territory – 2010



All figures were prepared by the authors 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, as in 2005, manufactured goods accounted for 99% of the value of Canada's exports to Norway, with resource-based goods accounting for the remaining 1%.

Canada's highest-valued export to Norway in 2010 was nickel mattes (a form of processed nickel). The value of this export product increased from \$1.1 billion in 2005 to \$1.8 billion in 2010. Other highly valued Canadian exports to Norway in 2010 included copper mattes (a form of processed copper), aircraft and cobalt, with exports valued at \$160.1 million, \$116.4 million and \$100.3 million respectively.

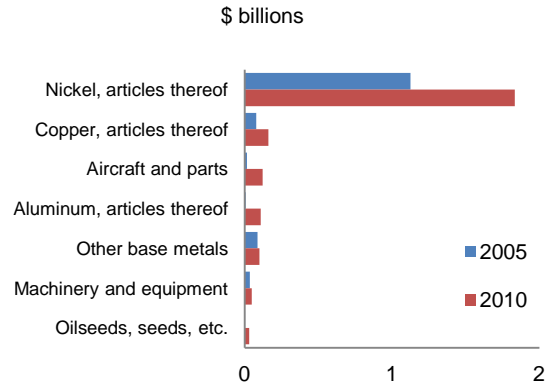
In 2010, resource-based goods represented 79% of the value of Canada's imports from Norway, with manufactured goods accounting for the remaining 21%. This composition had changed somewhat since 2005, when resource-based goods and manufactured goods represented 90% and 10% respectively of the value of Canada's imports from the country.

Canada's highest-valued import from Norway in 2010 was crude petroleum oil, which – at \$2.2 billion – was down from the 2005 import value of \$5.5 billion. Other highly valued Canadian imports from Norway in 2010 included non-crude petroleum, ferro-alloys and ammunition, with import values of \$165.7 million, \$91.2 million and \$32.1 million respectively.

Canada–Norway merchandise trade was relatively balanced across all product categories in 2010. Canada's trade deficit with Norway in the metals, mines and energy category decreased from \$4.5 billion in 2005 to \$0.2 billion in 2010, with growth in the value of Canada's exports of nickel to, and a decrease in the value of imports of crude petroleum oil from, Norway over that period.

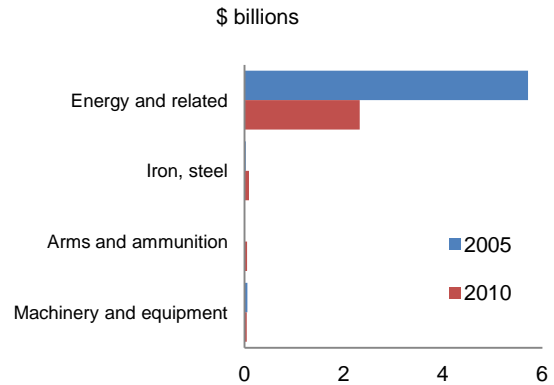
### Figure 4

#### Major Export Products



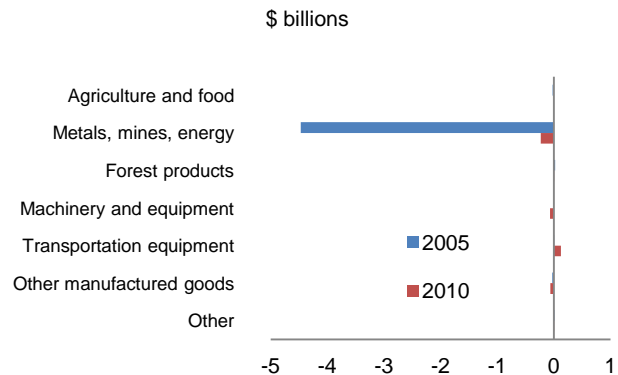
### Figure 5

#### Major Import Products



### Figure 6

#### Balance by Category



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## Services and Investment

In 2009, the most recent year for which data are available, Canada–Norway services trade totalled \$511.0 million, comprised of \$209.0 million in exports to, and \$302.0 million in imports from, Norway.

While the value of Canada's services exports to Norway grew by 4% from 2008 to 2009, it had not returned to its 2006 high of \$250.0 million. From 2008 to 2009, the value of Canada's transportation and government services exports to the country increased, while the value of commercial services and travel services exports decreased. Canada's exports of commercial services, transportation and government services, and travel services to the country were valued at \$92.0 million, \$82.0 million and \$35.0 million respectively in 2009.

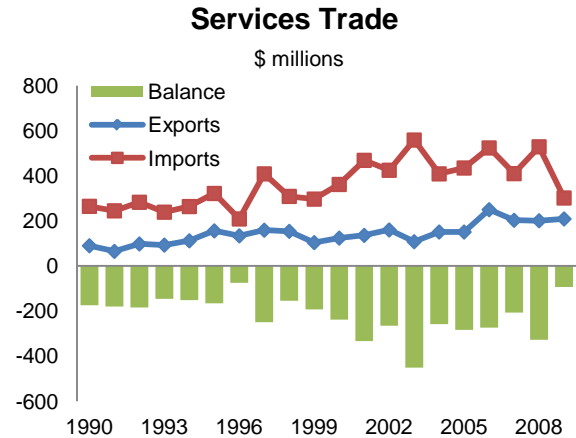
The value of Canada's services imports from Norway, which has been volatile in recent years, decreased by 43% from 2008 to 2009. This decline was led by a decrease of \$227.0 million in the value of Canada's transportation and government services imports from the country. In 2009, Canada's imports of transportation and government services, commercial services and travel services from Norway were valued at \$188.0 million, \$87.0 million and \$28.0 million.

Canada had a relatively large trade deficit with Norway in transportation and government services in 2009. It had relatively small trade surpluses in both commercial and travel services with the country in that year.

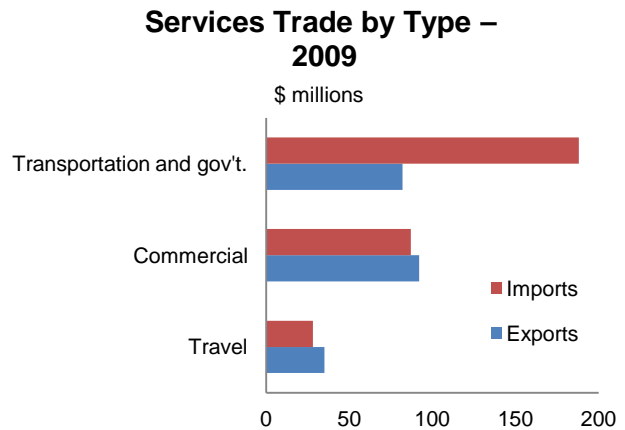
In 2010, the stock of Canadian direct investment in Norway totalled \$363.0 million, making it Canada's 48<sup>th</sup> largest destination for Canadian investment abroad. The stock of Canadian direct investment in the country has decreased since its peak of \$1.1 billion in 2006.

In 2010, the stock of Norwegian direct investment in Canada totalled \$738.0 million, making it Canada's 24<sup>th</sup> largest source of foreign direct investment. The stock of Norwegian direct investment in Canada has declined substantially since its peak of \$5.0 billion in 2000.

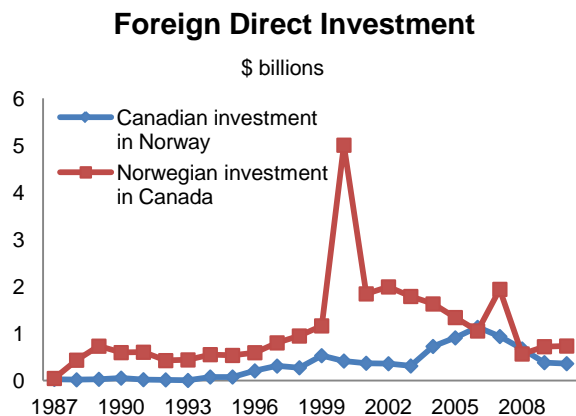
### Figure 7



### Figure 8



### Figure 9



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