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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.

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Merchandise Trade

In 2011, Canada–Hong Kong merchandise trade totalled \$3.3 billion, comprised of \$3.0 billion in Canadian exports to, and \$0.3 billion in imports from, Hong Kong.

The value of Canada’s exports to Hong Kong increased by 57.8% between 2010 and 2011, while the value of Canada’s imports from the country decreased by 14.2%.

Hong Kong was Canada’s 10th largest export destination worldwide in 2011. In that year, it was Canada’s 67th largest source of imports globally.

Over the 2006 to 2011 period, the value of Canada’s exports to Hong Kong grew at an average annual rate of 13.0%, compared to 0.3% worldwide. The value of Canada’s exports to the country as a share of the value of Canada’s total exports increased from 0.4% in 2006 to 0.7% in 2011.

The value of Canada’s imports from Hong Kong decreased at an average annual rate of 9.1% over the 2006 to 2011 period, compared to an increase of 2.4% worldwide. In 2011, as in 2006, the value of Canada’s imports from Hong Kong as a share of the value of Canada’s total imports was 0.1%.

At the provincial/territorial level, Ontario and Quebec together accounted for 74.7% of the value of Canada’s exports to Hong Kong in 2011, with exports valued at \$1.8 billion and \$403.6 million respectively.

Over the 2006 to 2011 period, the fastest-growing provincial/territorial exporters to Hong Kong were Saskatchewan, Prince Edward Island and New Brunswick, with average annual growth rates of 59.9%, 39.3% and 30.9% respectively.

Figure 1

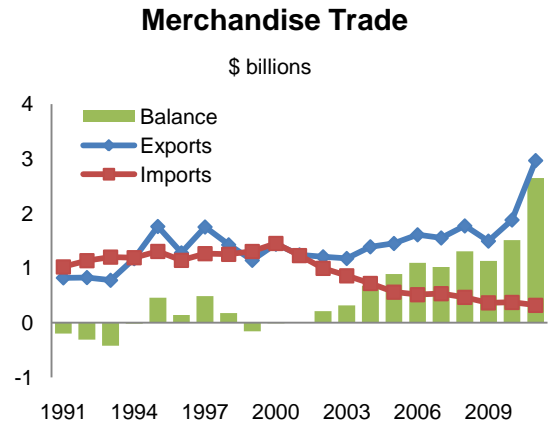


Figure 2

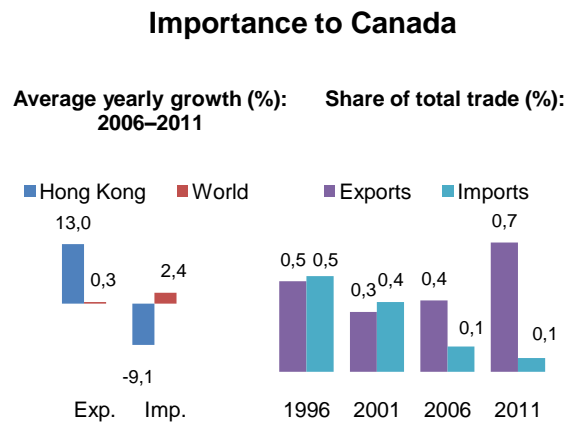
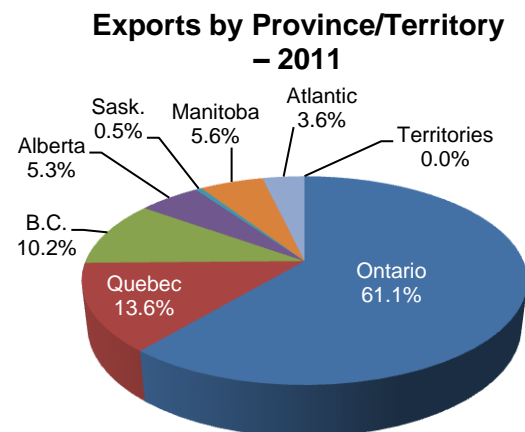


Figure 3



All figures were prepared using 2011 data, based on Statistics Canada annual figures released in spring 2012. The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Products

In 2011, manufactured goods accounted for 51.0% of the value of Canada's exports to Hong Kong, with resource-based goods representing the remaining 49.0%. This composition had changed significantly since 2006, when manufactured goods and resource-based goods accounted for 80.3% and 19.7% respectively of the value of Canada's exports to the country.

Canada's highest-valued exports to Hong Kong in 2011 were gold, aircraft and nickel, which together accounted for 46.1% of the value of Canada's exports to the country. The value of Canadian gold and aircraft exports to Hong Kong increased from \$23.2 million and \$0 respectively in 2006 to \$1.0 billion and \$170.8 million respectively in 2011. The value of Canadian nickel exports to the country decreased from \$333.5 million in 2006 to \$149.6 million in 2011.

In 2011, manufactured goods represented 92.6% of the value of Canada's imports from Hong Kong, with resource-based goods accounting for the remaining 7.4%. This composition was relatively unchanged from 2006, when manufactured goods and resource-based goods represented 97.8% and 2.2% respectively of the value of Canada's imports from the country.

Canada's highest-valued imports from Hong Kong in 2011 were printed books, jewellery and silver, which together accounted for 17.6% of the value of Canada's imports from the country. The value of Canadian jewellery and silver imports from Hong Kong increased from \$17.0 million and \$0 respectively in 2006 to \$18.0 million and \$16.6 million respectively in 2011. The value of Canadian printed book imports from the country decreased from \$23.1 million in 2006 to \$21.3 million in 2011.

In 2011, Canada had a trade surplus with Hong Kong in all product categories.

Figure 4

Major Export Products – 2011

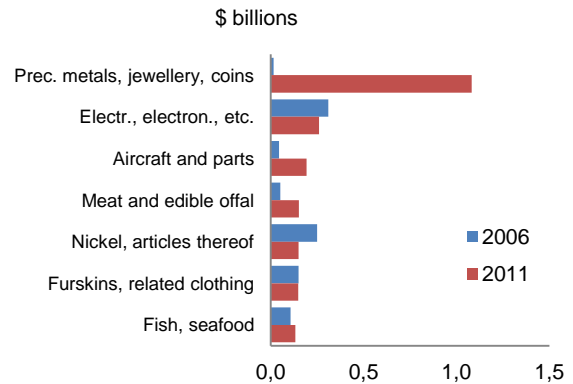


Figure 5

Major Import Products – 2011

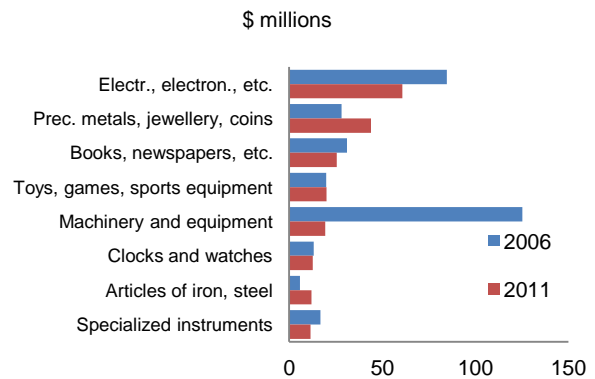
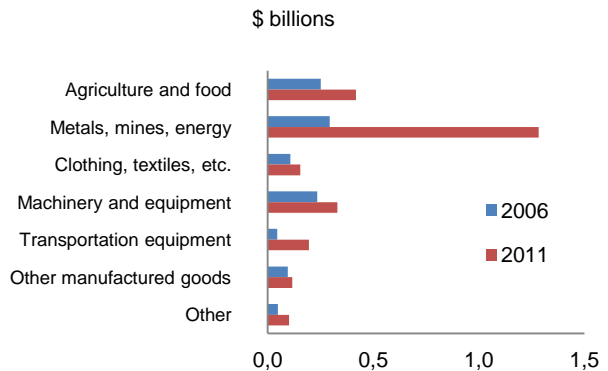


Figure 6

Balance by Category – 2011



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Services and Investment

In 2009, the most recent year for which data are available, Canada–Hong Kong services trade totalled \$3.5 billion, comprised of \$1.0 billion in Canadian exports to, and \$2.5 billion in imports from, Hong Kong.

The value of Canada’s services exports to Hong Kong decreased by 10.5% from 2008 to 2009, while the value of Canada’s services imports from the country declined by 6.7%.

In 2009, Canada’s trade deficit in services with Hong Kong was the result of trade in transportation and government services; Canada imported \$2.1 billion in transportation and government services from, and exported \$373.0 million in transportation and government services to, the country. In that year, Canada had a trade deficit with Hong Kong in commercial services and a trade surplus in travel services.

The stock of Canadian direct investment in Hong Kong totalled \$8.1 billion in 2011, making it Canada’s 15th largest destination for foreign investment abroad. Canadian direct investment in the country increased by 15.5% between 2010 and 2011.

In 2005, the most recent year for which data are available, the stock of Hong Kong’s direct investment in Canada totalled \$6.2 billion, making it the eighth largest source of foreign investment in Canada at the time.

Figure 7

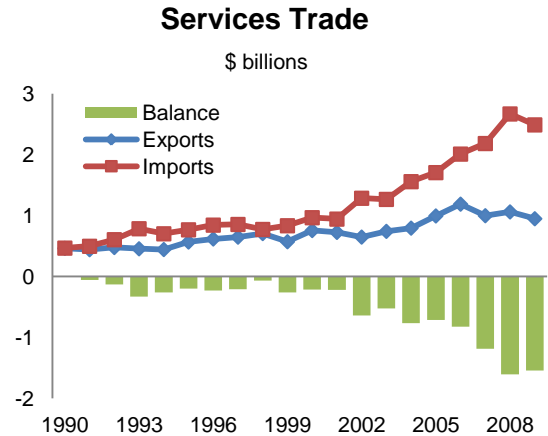


Figure 8

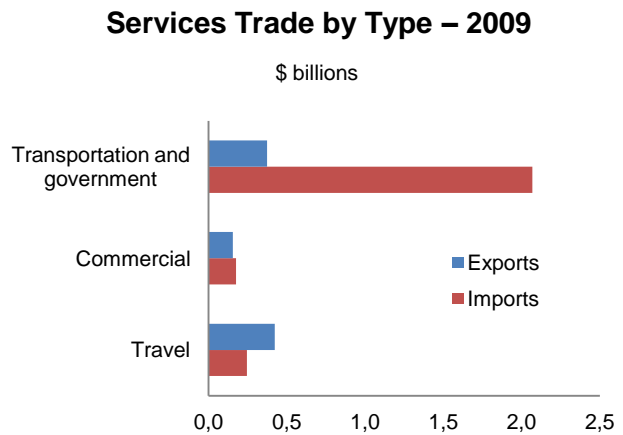
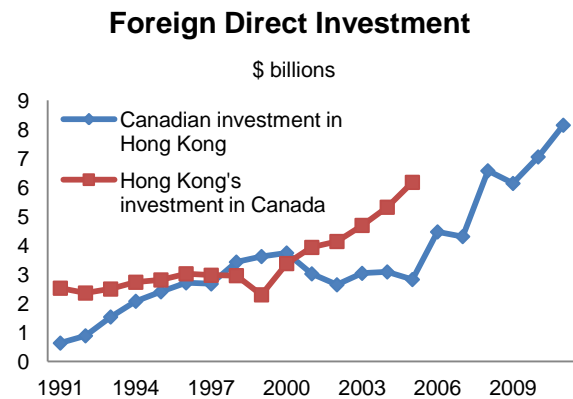


Figure 9



All figures were prepared using 2011 data, based on Statistics Canada annual figures released in spring 2012. The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.