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INTRODUCTION

In this publication, the Asia-Pacific region is comprised of Asia-Pacific Economic Cooperation member countries, excluding Canada. These countries consist of the following: Australia, Brunei Darussalam, Chile, the People's Republic of China, Hong Kong, Indonesia, Japan, Malaysia, Mexico, New Zealand, Papua New Guinea, Peru, the Philippines, Russia, Singapore, South Korea, Taiwan, Thailand, the United States and Vietnam.

Merchandise Trade

In 2012, Canada's trade with the Asia-Pacific region totalled \$747.4 billion, comprised of \$391.9 billion in Canadian exports to, and \$355.5 billion in imports from, the region.

The value of Canada's exports to the Asia-Pacific region increased by 2.4% between 2011 and 2012, while the value of Canada's imports from the region grew by 4.9%.

Over the 2007 to 2012 period, the value of Canada's exports to the Asia-Pacific region decreased at an average annual rate of 0.1%, compared to an increase of 0.2% worldwide. The value of Canada's exports to the region as a share of the value of Canada's total exports declined from 87.4% in 2007 to 86.2% in 2012.

The value of Canada's imports from the Asia-Pacific region increased at an average annual rate of 2.2% over the 2007 to 2012 period, compared to 2.6% worldwide. The value of Canada's imports from the region as a share of the value of Canada's total imports decreased from 78.2% in 2007 to 76.9% in 2012.

At the provincial/territorial level, Ontario, Alberta and Quebec together accounted for 76.8% of the value of Canada's exports to the Asia-Pacific region in 2012, with exports valued at \$158.7 billion, \$91.1 billion and \$51.1 billion respectively.

Over the 2007 to 2012 period, the fastest-growing provincial exporters to the Asia-Pacific region were Saskatchewan, New Brunswick and Alberta, with average annual growth rates of 12.7%, 5.4% and 3.1% respectively.

Figure 1

Merchandise Trade

(\$ billions)

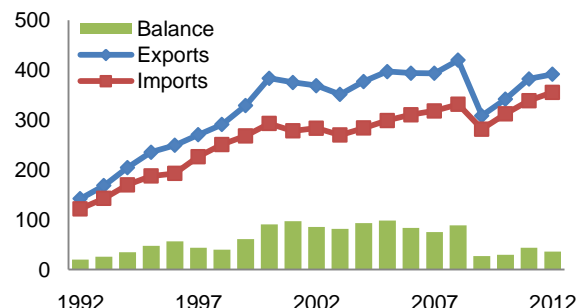


Figure 2

Importance to Canada

Average yearly growth (%): 2007–2012 Share of total trade (%):

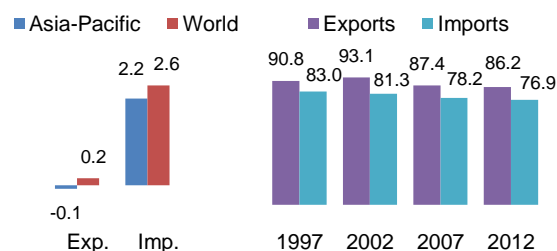
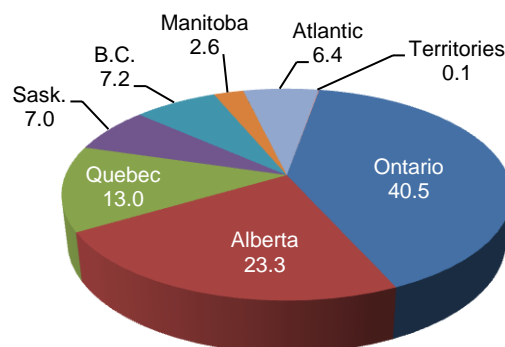


Figure 3

Exports by Province/Territory – 2012

(%)



All figures were prepared using Statistics Canada data available in spring 2013.

The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Products

In 2012, manufactured goods accounted for 68.2% of the value of Canada's exports to the Asia-Pacific region, with resource-based goods representing the remaining 31.8%. This composition had changed somewhat since 2007, when manufactured goods and resource-based goods accounted for 75.3% and 24.7% respectively of the value of Canada's exports to the region.

Canada's highest-valued exports to the Asia-Pacific region in 2012 were crude petroleum oil and motor vehicles, which together accounted for 30.7% of the value of Canada's exports to the region. The value of Canada's crude petroleum oil and motor vehicle exports to the Asia-Pacific region increased from \$41.8 billion and \$40.1 billion respectively in 2007 to \$74.2 billion and \$46.2 billion respectively in 2012.

In 2012, manufactured goods represented 93.2% of the value of Canada's imports from the Asia-Pacific region, with resource-based goods accounting for the remaining 6.8%. This composition was similar to that of 2007, when manufactured goods and resource-based goods represented 94.2% and 5.8% respectively of the value of Canada's imports from the region.

Canada's highest-valued imports from the Asia-Pacific region in 2012 were motor vehicles and motor vehicle parts, which together accounted for 11.8% of the value of Canada's imports from the region. The value of Canada's motor vehicle and motor vehicle part imports from the Asia-Pacific region decreased from \$23.8 billion and \$21.5 billion respectively in 2007 to \$21.5 billion and \$20.5 billion respectively in 2012.

In 2012, Canada had trade surpluses with the Asia-Pacific region in the product categories of metals, mines and energy, forest products, and agriculture and food. It had trade deficits with the region in all other product categories in that year.

Figure 4

Major Export Products

(\$ billions)

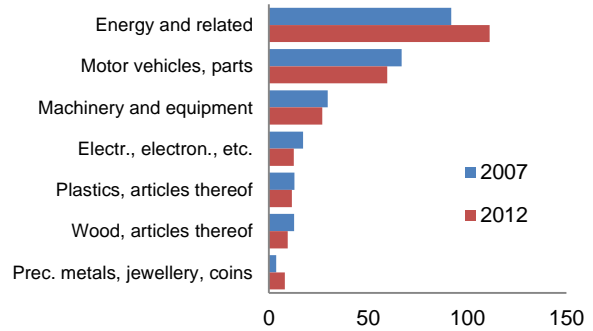


Figure 5

Major Import Products

(\$ billions)

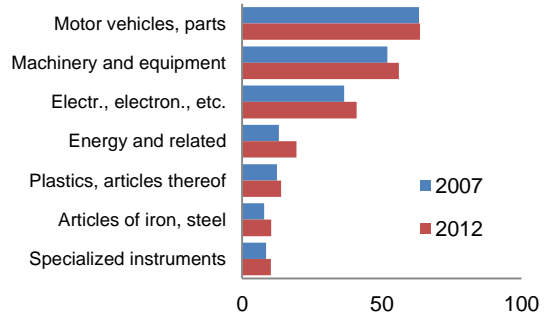
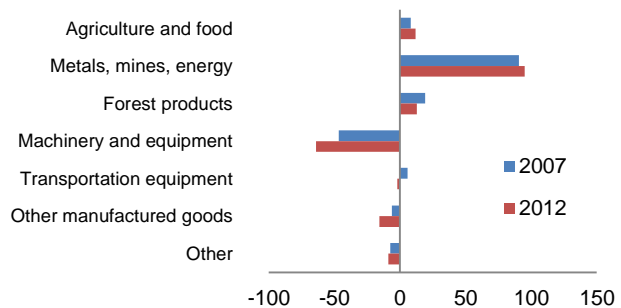


Figure 6

Balance by Category

(\$ billions)



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Trading Partners

In 2012, the United States, China and Japan were Canada's largest export destinations in the Asia-Pacific region, with exports valued at \$338.7 billion, \$19.3 billion and \$10.4 billion respectively. Together, these three countries accounted for 94.0% of the value of Canada's exports to the region in that year; the United States alone accounted for 86.4%.

The United States, China and Mexico were Canada's largest sources of imports from the Asia-Pacific region in 2012, with imports valued at \$233.8 billion, \$50.7 billion and \$25.5 billion respectively. Together, these three countries accounted for 87.2% of the value of Canada's imports from the region in that year; the United States alone accounted for 65.8%.

Over the 2007 to 2012 period, the value of Canada's exports to the United States decreased at an average annual rate of 1.0%, compared to an increase of 6.9% for the other countries in the Asia-Pacific region combined.

The value of Canada's imports from the United States increased at an average annual rate of 1.1% over the 2007 to 2012 period, compared to 4.5% for the other countries in the Asia-Pacific region combined.

The value of Canada's exports to countries in the Asia-Pacific region other than the United States, as a share of the value of Canada's total exports to the region, increased from 9.7% in 2007 to 13.6% in 2012.

The value of Canada's imports from countries in the Asia-Pacific region other than the United States, as a share of the value of Canada's total imports from the region, increased from 30.6% in 2007 to 34.2% in 2012.

Figure 7

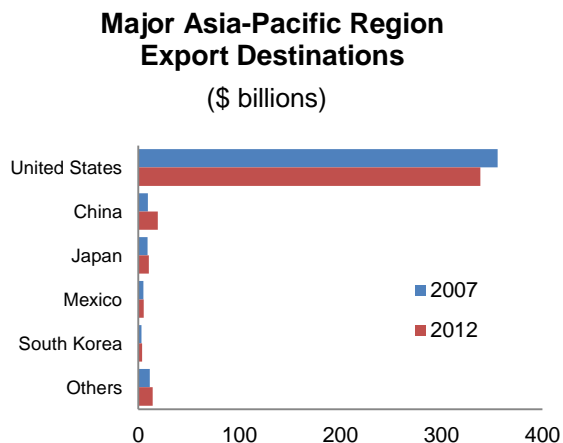


Figure 8

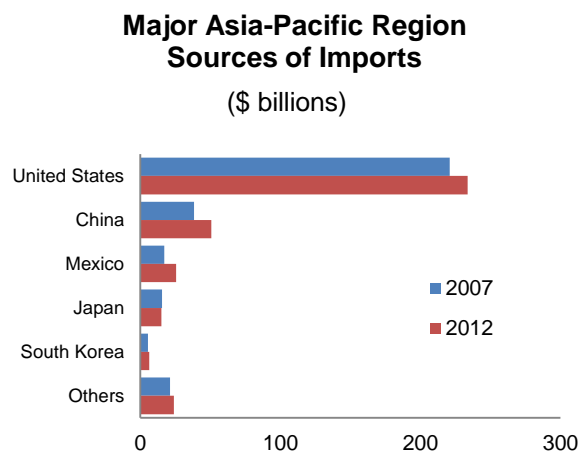
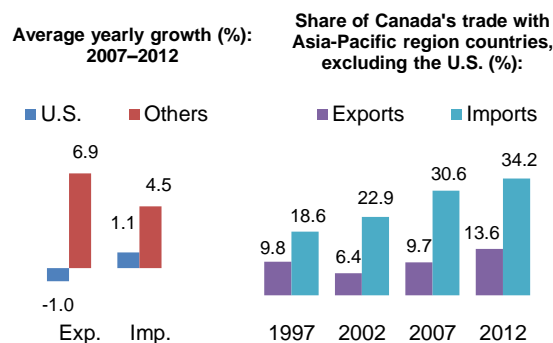


Figure 9

Trade with Countries in the Asia-Pacific Region



All figures were prepared using Statistics Canada data available in spring 2013.

The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Services

In 2010, the latest year for which data was available for all Asia-Pacific countries, trade in services between Canada and the Asia-Pacific region totalled more than \$122.3 billion, comprised of \$52.2 billion in Canadian exports to, and \$70.1 billion in imports from, the Asia-Pacific region.

The value of Canada's services exports to the Asia-Pacific region increased by 1.1% between 2009 and 2010, while the value of Canada's services imports from the region grew by 5.6%.

In 2010, Canada had a trade deficit with the Asia-Pacific region in all services categories. Of the categories, the deficit was the largest in respect of travel services. Canada imported \$21.7 billion of travel services from, and exported \$10.5 billion of travel services to, the Asia-Pacific region in 2010.

In 2010, the United States, Hong Kong and China were Canada's largest services trade partners in the Asia-Pacific region. Canada's services exports to these countries were valued at \$43.4 billion, \$1.2 billion and \$1.4 billion respectively in that year, while its services imports from these countries totalled \$57.4 billion, \$2.8 billion and \$1.6 billion respectively. In that year, these three countries together accounted for 88.2% of the value of Canada's services exports to, and 88.2% of the value of services imports from, the Asia-Pacific region. The United States alone accounted for 83.1% of Canada's services exports to, and 81.9% of the value of services imports from, the region.

Data for trade in services for Brunei Darussalam, Papua New Guinea and Peru are not available.

Figure 10

Services Trade (\$ billions)

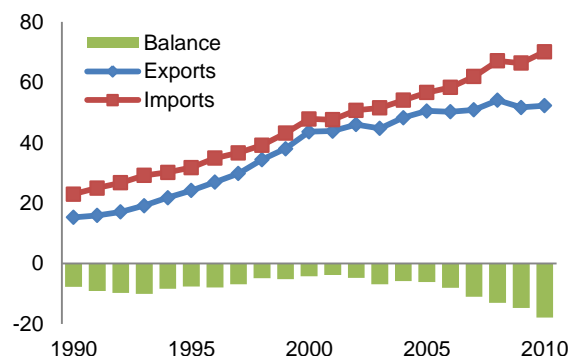


Figure 11

Services Trade by Type – 2010 (\$ billions)

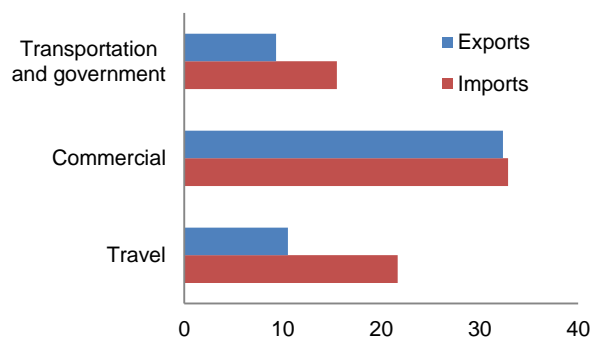
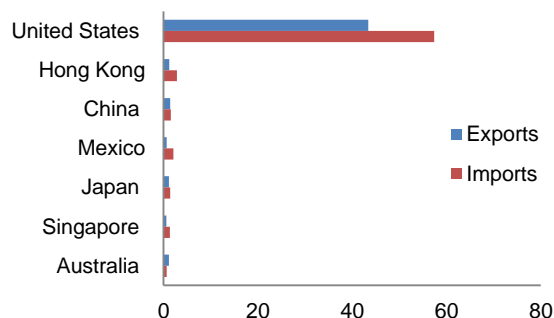


Figure 12

Services Trade Partners – 2010 (\$ billions)



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The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Investment

The stock of Canadian direct investment in the Asia-Pacific region totalled \$373.1 billion in 2012. Canadian direct investment in the region increased by 6.6% between 2011 and 2012.

The United States, Australia and Chile were Canada's largest destinations for direct investment abroad in 2012, with stocks of \$289.4 billion, \$26.9 billion and \$13.7 billion respectively. Together, these countries accounted for 88.5% of Canada's stock of direct investment in the Asia-Pacific region in that year.

In 2012, the stock of direct investment in Canada from the Asia-Pacific region was \$368.3 billion. Direct investment from the Asia-Pacific region in Canada increased by 5.3% between 2011 and 2012.

The United States, Japan and China were Canada's largest sources of foreign direct investment from the Asia-Pacific region in 2012, with stocks of \$326.5 billion, \$17.5 billion and \$12.0 billion respectively. Together, these countries accounted for 96.7% of the stock of direct investment from the region in Canada in that year.

Canada's direct investment in the Asia-Pacific region as a share of Canada's total foreign direct investment increased from 51.8% in 2007 to 52.4% in 2012. Over that period, direct investment from the Asia-Pacific region in Canada as a share of total foreign direct investment in Canada decreased from 61.0% to 58.1%.

Outward investment data for Brunei Darussalam, Papua New Guinea, the Philippines and Taiwan were not available for 2012. Inward investment data for Brunei Darussalam, Mexico, Peru, Hong Kong, Papua New Guinea, the Philippines and Vietnam were not available for 2012, either.

Figure 13

Foreign Direct Investment (\$ billions)

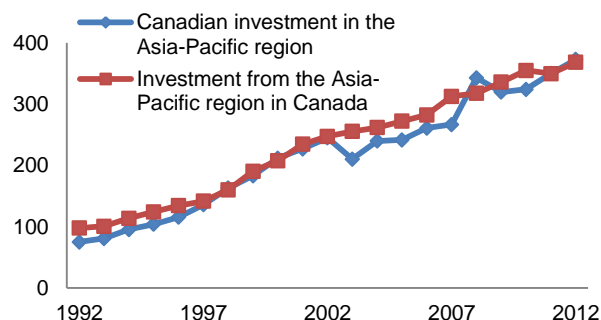


Figure 14

Investment by Country – 2012 (\$ billions)

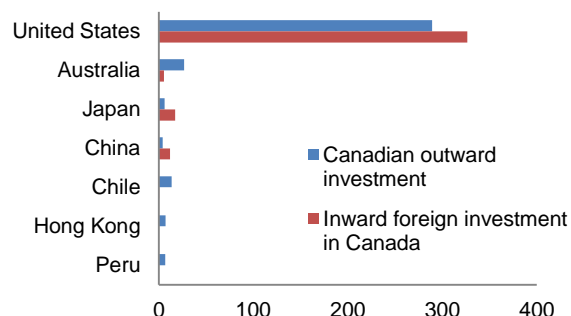
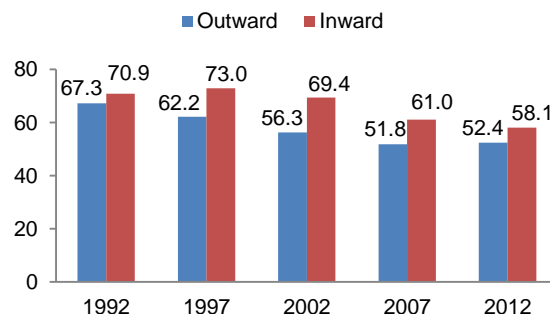


Figure 15

Asia-Pacific Region's Share of Canadian Foreign Direct Investment (% of total direct investment)



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