

TRADE AND INVESTMENT



Canada-Australia

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Economics, Resources and International Affairs Division Parliamentary Information and Research Service The Library of Parliament *Trade and Investment* series provides information on Canada's trade and investment relationship with the world and with selected countries. The series also describes the merchandise trade relationship that each of Canada's 10 provinces and three territories has with the world. 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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Ce document est également publié en français.

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Merchandise Trade

In 2012, Canada–Australia merchandise trade totalled \$4.1 billion, comprised of \$2.0 billion in Canadian exports to, and \$2.1 billion in imports from, Australia.

The value of Canada's exports to Australia increased by 7.4% between 2011 and 2012, while the value of Canada's imports from the country grew by 17.7%.

Australia was Canada's 15th largest export destination worldwide in 2012. In that year, it was Canada's 26th largest source of imports globally.

Over the 2007 to 2012 period, the value of Canada's exports to Australia grew at an average annual rate of 3.1%, compared to 0.2% worldwide. In 2012, as in 2007, the value of Canada's exports to the country as a share of the value of Canada's total exports was 0.4%.

The value of Canada's imports from Australia increased at an average annual rate of 3.2% over the 2007 to 2012 period, compared to 2.6% worldwide. The value of Canada's imports from the country as a share of the value of Canada's total imports increased from 0.4% in 2007 to 0.5% in 2012.

At the provincial/territorial level, Ontario, British Columbia and Quebec together accounted for 75.7% of the value of Canada's exports to Australia in 2012, with exports valued at \$738.5 million, \$404.8 million and \$398.7 million respectively.

Over the 2007 to 2012 period, the fastest-growing provincial exporters to Australia were Prince Edward Island, Nova Scotia and Saskatchewan, with average annual growth rates of 29.1%, 19.4% and 16.8% respectively.

Figure 1



Figure 2

Importance to Canada

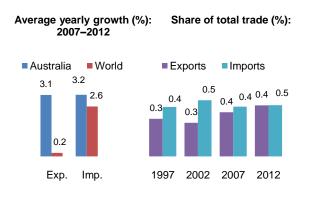
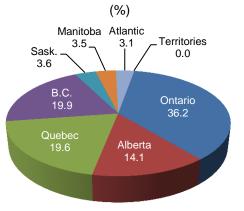


Figure 3

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 93.7% of the value of Canada's exports to Australia, with resource-based goods representing the remaining 6.3%. This composition was relatively consistent with that of 2007, when manufactured goods and resource-based goods accounted for 91.6% and 8.4% respectively of the value of Canada's exports to the country.

Canada's highest-valued exports to Australia in 2012 were machinery parts, gold waste and scrap, and swine meat, which together accounted for 15.8% of the value of Canada's exports to the country. The value of Canadian exports to Australia of machinery parts as well as gold waste and scrap increased from \$43.0 million and \$0 respectively in 2007 to \$117.9 million and \$108.3 million respectively in 2012. The value of Canadian swine meat exports to the country declined from \$135.0 million in 2007 to \$96.1 million in 2012.

In 2012, manufactured goods represented 73.4% of the value of Canada's imports from Australia, with resource-based goods accounting for the remaining 26.6%. This composition had changed since 2007, when manufactured goods and resource-based goods represented 91.6% and 8.4% respectively of the value of Canada's imports from the country.

Canada's highest-valued imports from Australia in 2012 were nickel ore, wine and uranium, which together accounted for 37.7% of the value of Canada's imports from the country. The value of Canadian nickel ore imports from Australia increased from \$83.9 million in 2007 to \$314.8 million in 2012, while the value of wine and uranium imports decreased from \$306.8 million and \$250.2 million respectively in 2007 to \$237.7 million and \$231.1 million respectively in 2012.

In 2012, Canada had a trade surplus in the machinery and equipment, transportation equipment and forest products categories. It had a trade deficit in the product categories of metals, mines and energy, agriculture and food, and other manufactured goods in that year.

Figure 4

Major Export Products

(\$ millions)

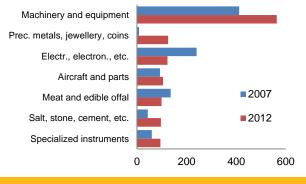


Figure 5

Major Import Products

(\$ millions)

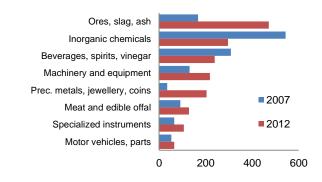
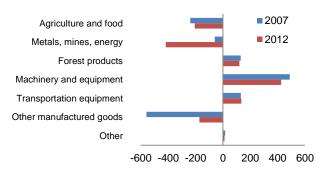


Figure 6

Balance by Category

(\$ millions)



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 and Investment

In 2010, the most recent year for which data are available, Canada–Australia services trade totalled \$1.8 billion, comprised of \$1.1 billion in Canadian exports to, and \$680.0 million in imports from, Australia.

The value of Canada's services exports to Australia decreased by 1.6% between 2009 and 2010, while the value of Canada's services imports from the country declined by 8.4%.

In 2010, Canada had a trade surplus with Australia in every services trade category. In that year, Canada exported \$490.0 million, \$420.0 million and \$238.0 million respectively in commercial, travel, and transportation and government services to Australia, and imported \$276.0 million, \$297.0 million and \$106.0 million respectively in such services from the country.

The stock of Canadian direct investment in Australia totalled \$26.9 billion in 2012, making it Canada's fifth largest destination for foreign investment among the 58 countries for which data were available. Canadian direct investment in the country increased by 8.5% between 2011 and 2012.

In 2012, the stock of Australian direct investment in Canada totalled \$5.6 billion, making it the 13th largest source of foreign investment in Canada among the 39 countries for which data were available. Australian direct investment in Canada increased by 1.9% between 2011 and 2012.

Figure 7

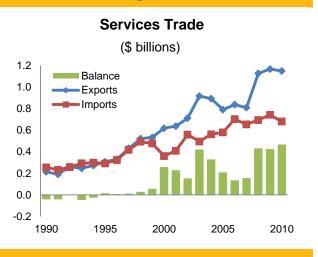


Figure 8

Services Trade by Type – 2010

(\$ millions)

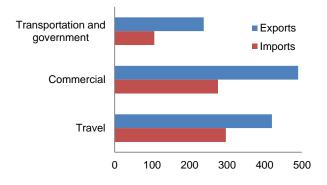
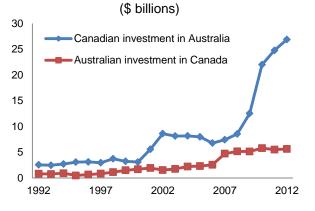


Figure 9

Foreign Direct Investment



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