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# TRADE AND INVESTMENT



## Canada–Italy

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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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## Merchandise Trade

In 2012, Canada-Italy merchandise trade totalled \$6.9 billion, comprised of \$1.7 billion in Canadian exports to, and \$5.2 billion in imports from, Italy.

The value of Canada's exports to Italy decreased by 13.3% between 2011 and 2012, while the value of Canada's imports from the country grew by 2.3%.

Italy was Canada's 16<sup>th</sup> largest export destination worldwide in 2012. In that year, it was Canada's ninth largest source of imports globally.

Over the 2007 to 2012 period, the value of Canada's exports to Italy declined at an average annual rate of 7.8%, compared to an increase of 0.2% worldwide. The value of Canada's exports to the country as a share of the value of Canada's total exports decreased from 0.6% in 2007 to 0.4% in 2012.

The value of Canada's imports from Italy increased at an average annual rate of 0.6% 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 declined from 1.2% in 2007 to 1.1% in 2012.

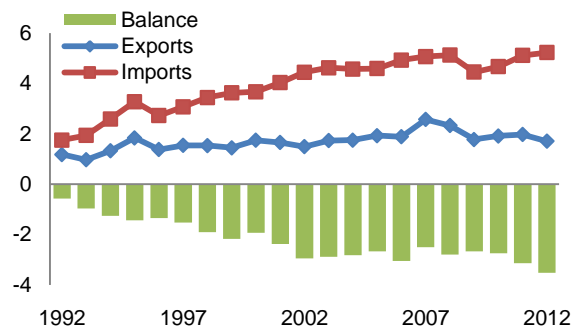
At the provincial/territorial level, Ontario, Quebec and British Columbia together accounted for 70.7% of the value of Canada's exports to Italy in 2012, with exports valued at \$472.9 million, \$404.5 million and \$329.8 million respectively.

Over the 2007 to 2012 period, the fastest-growing provincial exporters to Italy were New Brunswick, Newfoundland and Labrador, and Saskatchewan, with average annual growth rates of 29.4%, 13.9% and 4.5% respectively.

### Figure 1

#### Merchandise Trade

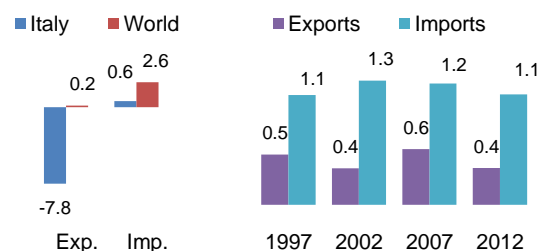
(\$ billions)



### Figure 2

#### Importance to Canada

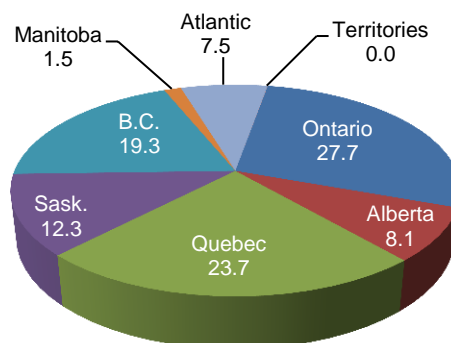
Average yearly growth (%): 2007–2012      Share of total trade (%):



### 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 66.4% of the value of Canada's exports to Italy, with resource-based goods representing the remaining 33.6%. This composition had changed since 2007, when manufactured goods and resource-based goods accounted for 81.7% and 18.3% respectively of the value of Canada's exports to the country.

Canada's highest-valued exports to Italy in 2012 were wheat, coal and turbojets, which together accounted for 31.5% of the value of Canada's exports to the country. The value of Canadian wheat, coal and turbojet exports to Italy increased from \$208.6 million, \$105.4 million and \$137.1 million respectively in 2007 to \$243.2 million, \$150.0 million and \$145.3 million respectively in 2012.

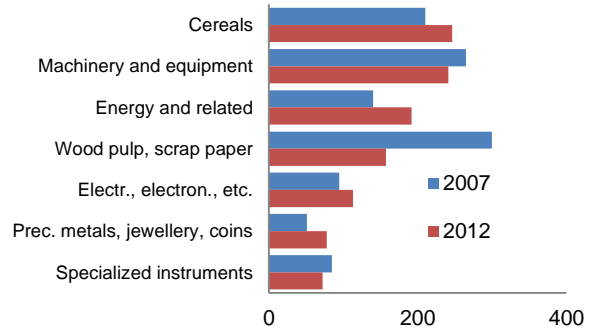
In 2012, manufactured goods represented 99.3% of the value of Canada's imports from Italy, with resource-based goods accounting for the remaining 0.7%. This composition was similar to that of 2007, when manufactured goods and resource-based goods represented 98.8% and 1.2% respectively of the value of Canada's imports from the country.

Canada's highest-valued imports from Italy in 2012 were medications, wine and taps, valves and similar devices, which together accounted for 18.2% of the value of Canada's imports from the country. The value of Canadian imports from Italy of medications, wine and taps, valves and similar devices increased from \$194.7 million, \$301.6 million and \$124.1 million respectively in 2007 to \$396.3 million, \$394.6 million and \$161.7 million respectively in 2012.

In 2012, Canada had a trade surplus with Italy in the product categories of forest products and metals, mines and energy. It had a trade deficit with the country in all other product categories in that year.

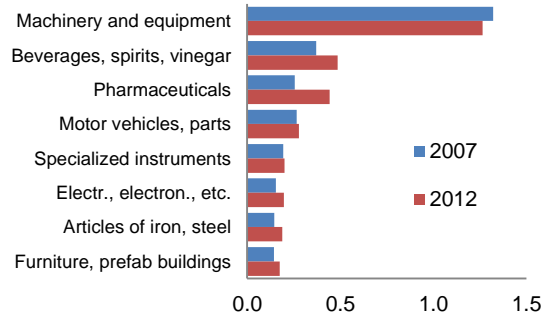
### Figure 4

#### Major Export Products (\$ millions)



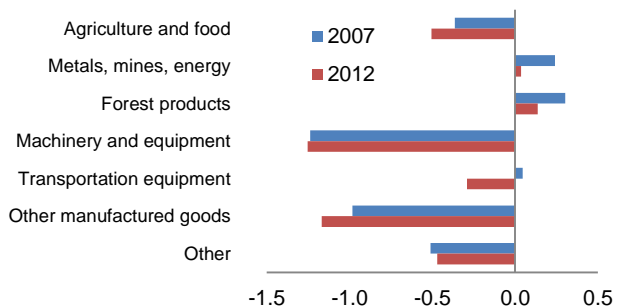
### Figure 5

#### Major Import Products (\$ billions)



### Figure 6

#### Balance by Category (\$ billions)



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-Italy services trade totalled \$1.2 billion, comprised of \$373.0 million in Canadian exports to, and \$843.0 million in imports from, Italy.

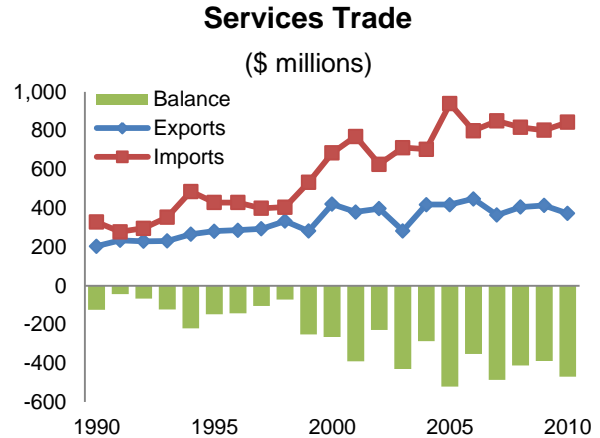
The value of Canada's services exports to Italy decreased by 9.9% between 2009 and 2010, while the value of Canada's services imports from the country grew by 5.1%.

In 2010, Canada had trade deficits with Italy in all services categories. In that year, Canada imported \$524.0 million, \$163.0 million and \$157.0 million respectively in travel services, commercial services, and transportation and government services from the country. Canada exported \$122.0 million, \$107.0 million and \$144.0 million respectively in travel services, commercial services, and transportation and government services to Italy in 2010.

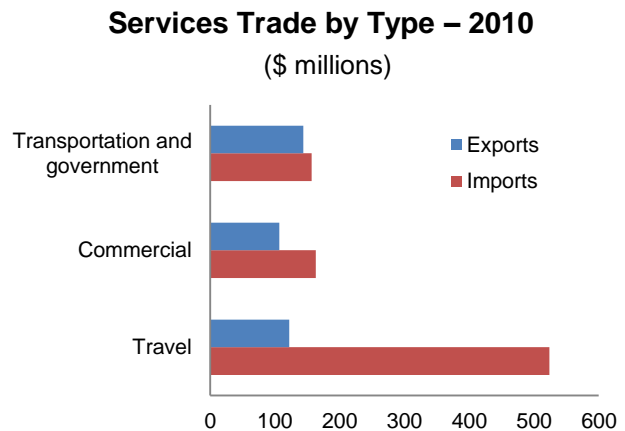
The stock of Canadian direct investment in Italy totalled \$292.0 million in 2012, making it Canada's 49<sup>th</sup> largest destination for foreign investment among the 58 countries for which data were available. Canadian direct investment in the country increased by 0.3% between 2011 and 2012.

In 2012, the stock of Italian direct investment in Canada totalled \$1.2 billion, making it the 22<sup>nd</sup> largest source of foreign investment in Canada among the 39 countries for which data were available. Italian direct investment in Canada increased by 7.0% between 2011 and 2012.

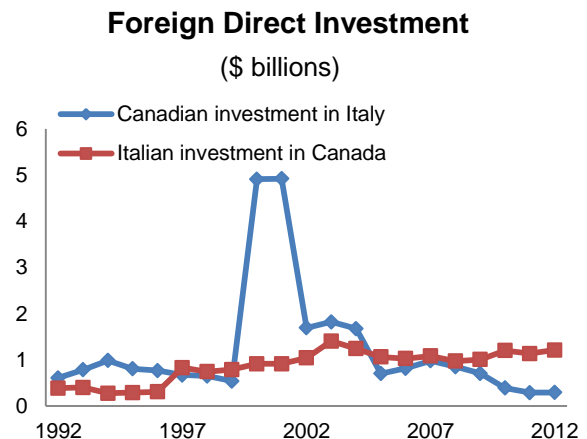
### Figure 7



### Figure 8



### Figure 9



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