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TRADE AND INVESTMENT



Canada–Germany

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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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Ce document est également publié en français.

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Merchandise Trade

In 2012, Canada–Germany merchandise trade totalled almost \$17.9 billion, comprised of \$3.6 billion in Canadian exports to, and \$14.3 billion in imports from, Germany.

The value of Canada's exports to Germany decreased by 9.5% between 2011 and 2012, while the value of Canada's imports from the country grew by 11.7%.

Germany was Canada's eighth largest export destination worldwide in 2012. In that year, it was Canada's fifth largest source of imports globally.

Over the 2007 to 2012 period, the value of Canada's exports to Germany declined at an average annual rate of 1.5%, 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 0.9% in 2007 to 0.8% in 2012.

The value of Canada's imports from Germany increased at an average annual rate of 4.4% 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 2.8% in 2007 to 3.1% in 2012.

At the provincial/territorial level, Quebec and Ontario together accounted for 79.8% of the value of Canada's exports to Germany in 2012, with exports valued at \$1.5 billion and \$1.3 billion respectively.

Over the 2007 to 2012 period, the fastest-growing provincial exporters to Germany were Manitoba, New Brunswick and Saskatchewan, with average annual growth rates of 16.6%, 6.3% and 3.7% respectively.

Figure 1

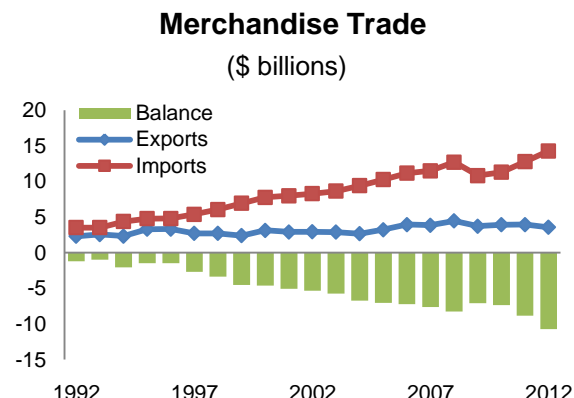


Figure 2

Importance to Canada

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

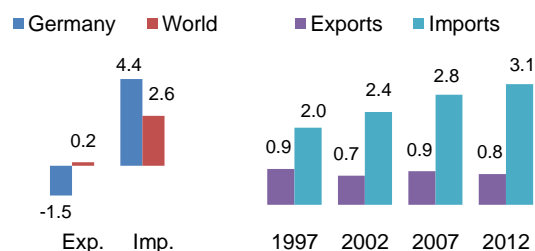
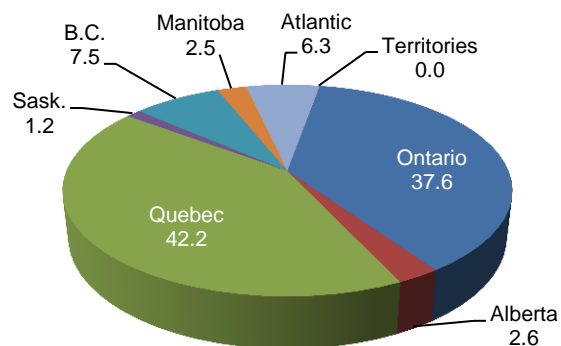


Figure 3

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 79.9% of the value of Canada's exports to Germany, with resource-based goods representing the remaining 20.1%. This composition had changed somewhat since 2007, when manufactured goods and resource-based goods accounted for 73.3% and 26.7% respectively of the value of Canada's exports to the country.

Canada's highest-valued exports to Germany in 2012 were certain types of turbojets, copper ore and coins, which together accounted for 21.2% of the value of Canada's exports to the country. The value of Canadian turbojet, copper ore and coin exports to Germany increased from \$203.2 million, \$150.6 million and \$40.1 million respectively in 2007 to \$346.8 million, \$230.3 million and \$181.1 million respectively in 2012.

In 2012, manufactured goods represented 99.9% of the value of Canada's imports from Germany, with resource-based goods accounting for the remaining 0.1%. This composition was consistent with that of 2007, when manufactured goods and resource-based goods represented 99.8% and 0.2% respectively of the value of Canada's imports from the country.

Canada's highest-valued imports from Germany in 2012 were motor vehicles, medications and turbojets, which together accounted for 34.2% of the value of Canada's imports from the country. The value of Canadian motor vehicle and turbojet imports from Germany increased from \$2.1 billion and \$128.3 million respectively in 2007 to \$3.2 billion and \$637.1 million respectively in 2012. The value of Canadian medication imports from the country remained virtually unchanged between 2007 and 2012, at \$1.0 billion.

In 2012, Canada had a trade deficit with Germany in the product categories of machinery and equipment, transportation equipment and other manufactured goods. In that year, the value of trade between the two countries was balanced in the product categories of agriculture and food; metals, mines and energy; and "other" products.

Figure 4

Major Export Products (\$ millions)

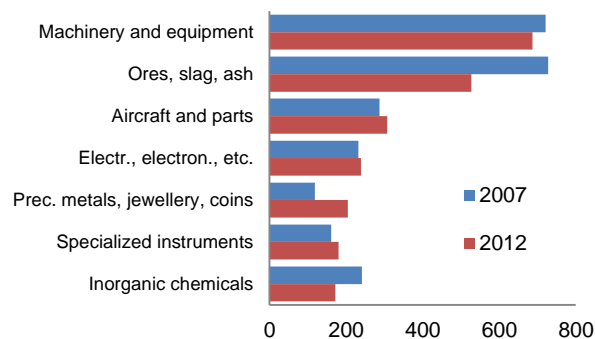


Figure 5

Major Import Products (\$ billions)

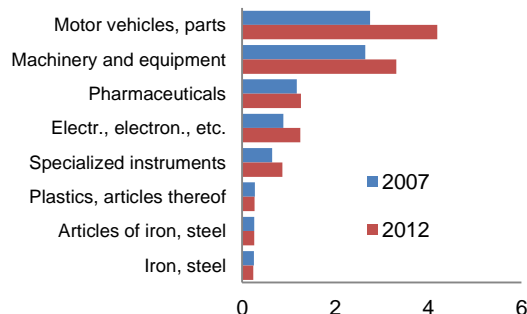
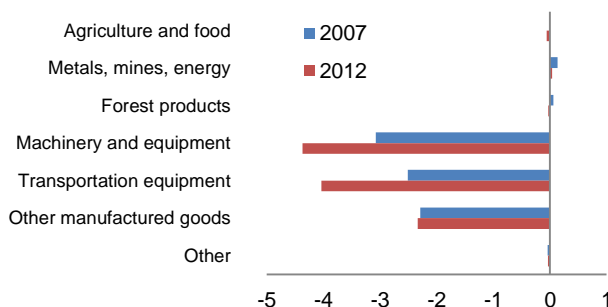


Figure 6

Balance by Category (\$ billions)



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

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Services and Investment

In 2010, the most recent year for which data are available, Canada–Germany services trade totalled \$3.9 billion, comprised of \$1.8 billion in Canadian exports to, and \$2.1 billion in imports from, Germany.

The value of Canada's services exports to Germany decreased by 11.4% between 2009 and 2010, while the value of Canada's services imports from the country increased by 13.1%.

In 2010, Canada's trade deficit in services with Germany was the result of trade in commercial services, and transportation and government services. In that year, Canada's exports to the country of commercial services, and transportation and government services, were valued at \$920.0 million and \$403.0 million respectively, while imports from the country were valued at \$1.1 billion and \$685.0 million respectively. In 2010, Canada exported \$523.0 million in travel services to Germany, while imports from the country were valued at \$301.0 million.

The stock of Canadian direct investment in Germany totalled \$7.4 billion in 2012, making it Canada's 13th largest destination for foreign investment abroad among the 58 countries for which data were available. Canadian direct investment in the country increased by 1.6% between 2011 and 2012.

In 2012, the stock of German direct investment in Canada totalled \$11.7 billion, making it the 10th largest source of foreign investment in Canada among the 39 countries for which data were available. German direct investment in Canada increased by 6.5% between 2011 and 2012.

Figure 7

Services Trade

(\$ billions)

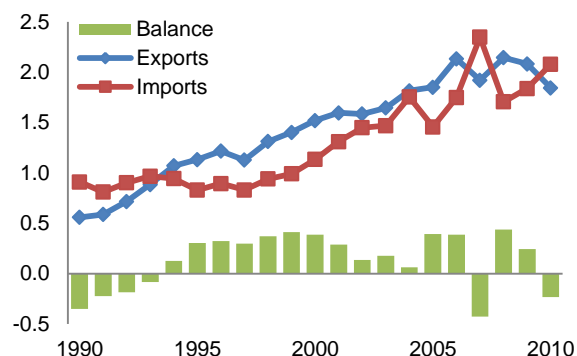


Figure 8

Services Trade by Type – 2010

(\$ billions)

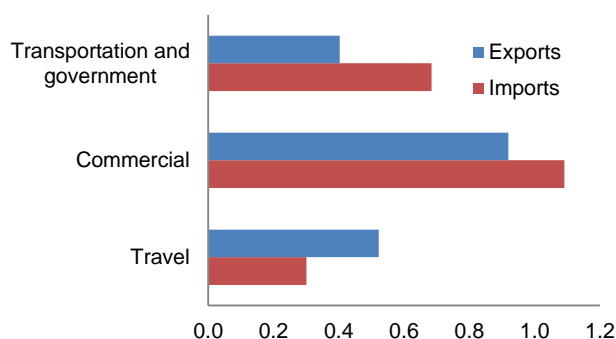
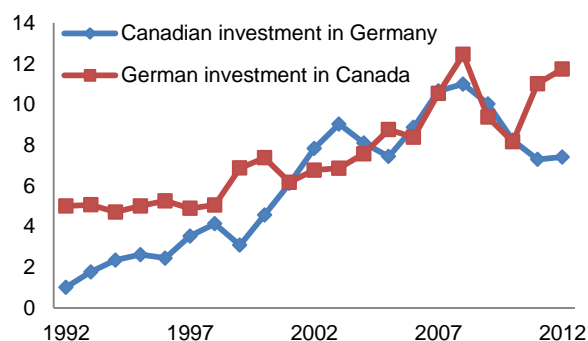


Figure 9

Foreign Direct Investment

(\$ billions)



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

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