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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 2010, Canada's bilateral merchandise trade with Pakistan totalled \$820.3 million, consisting of \$549.2 million in Canadian exports to, and \$271.1 million in imports from, Pakistan.

Pakistan was Canada's 34th largest export destination worldwide in 2010, and its 12th largest export destination in Asia, a region that includes 27 countries. It was Canada's 65th largest source of imports in the world in that year, and its 14th largest import source in Asia.

Over the 2005 to 2010 period, the value of Canada's exports to Pakistan increased at an average annual rate of 11.6%, compared to a decrease of 1.8% worldwide. The value of Canada's imports from Pakistan increased at an average annual rate of 1.8% over the period, compared to 1.2% worldwide.

Collectively, Saskatchewan, Alberta and Manitoba accounted for three quarters of the value of Canada's exports to Pakistan in 2010. The value of exports from these provinces to the country totalled \$229.1 million, \$107.8 million and \$78.0 million respectively in that year.

Over the 2005 to 2010 period, Saskatchewan and Manitoba were the fastest-growing provincial exporters to Pakistan, followed by Alberta. The value of their exports to the country grew at average annual rates of 33%, 32% and 22% respectively over the period.

Figure 1

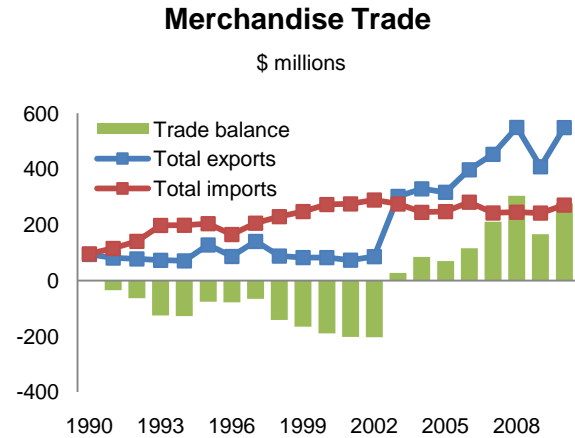


Figure 2

Importance to Canada

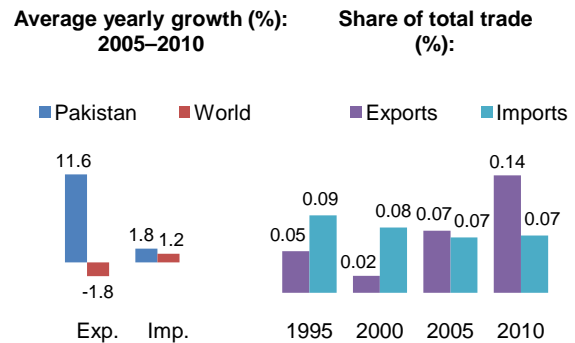
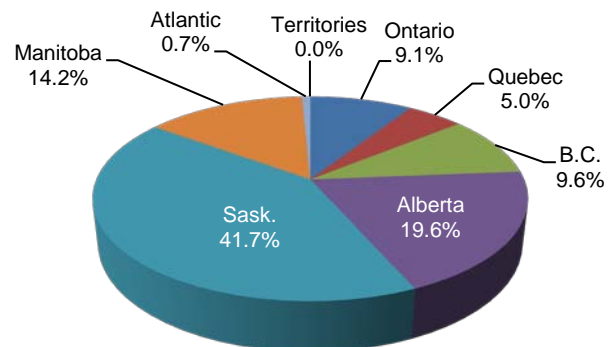


Figure 3

Exports by Province/Territory – 2010



All figures were prepared by the author using Statistics Canada annual figures as of spring 2011.
The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Products

In 2010, resource-based goods accounted for 81% of the value of Canada's exports to Pakistan, while manufactured goods represented the remaining 19%. This composition was significantly different from that of 2005, when manufactured goods and resource-based goods accounted for 59% and 41% respectively of the value of Canada's exports to the country.

Canada's highest-valued exports to Pakistan in 2010 were oilseeds and pulses, at \$336.7 million and \$64.9 million respectively. The value of Canadian oilseeds exports to the country increased from \$50.9 million in 2005 to \$336.7 million in 2010, a 561.7% increase over the period.

In 2010, as in 2005, manufactured goods represented 99% of the value of Canada's imports from Pakistan, with resource-based goods accounting for the remaining 1%.

Canada's highest-valued imports from Pakistan in 2010 were clothing and other textile products, which – at \$171.9 million – together accounted for two thirds of the value of Canada's imports from the country in that year.

In 2010, Canada had a relatively small trade surplus with Pakistan. It was a net exporter to Pakistan in the agriculture and food category, the metals, mines and energy category, the machinery and equipment category and in transportation equipment. Canada was a net importer of clothing and other textile goods. Trade between Canada and Pakistan was largely complementary in 2010, with little overlap in the types of goods traded between the two countries.

Figure 4

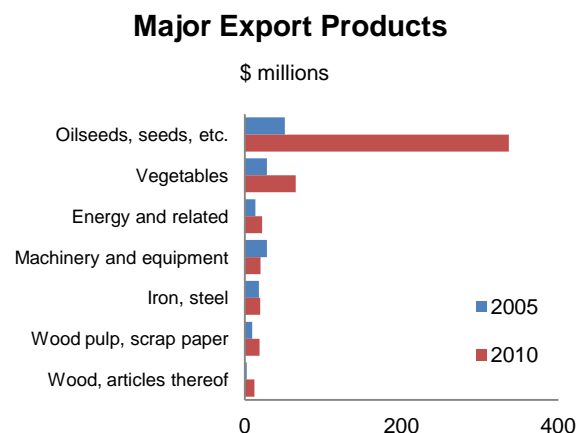


Figure 5

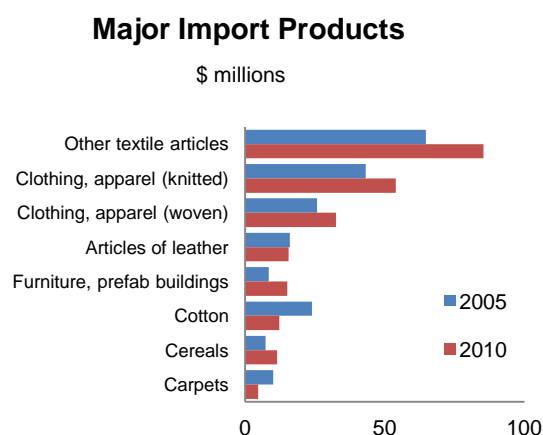
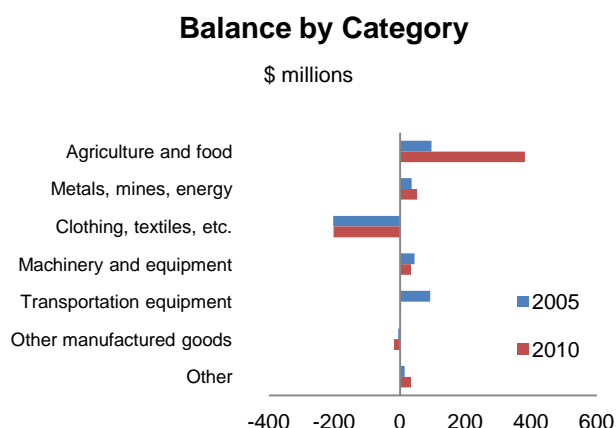


Figure 6



All figures were prepared by the author using Statistics Canada annual figures as of spring 2011.
The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based.

Services and Investment

In 2009, the most recent year for which data are available, Canada's services exports to, and imports from, Pakistan were valued at \$118.0 million and \$47.0 million respectively.

Growth in the value of Canada's services exports to Pakistan in recent years has been led by travel services. In 2009, Canada's travel services exports to the country were valued at \$73.0 million. Canada's exports of transportation and government services as well as of commercial services to Pakistan were valued at \$32.0 million and \$13.0 million respectively in that year.

The value of Canada's services imports from Pakistan was relatively low in 2009, consisting mostly of transportation and government services, which were valued at \$28.0 million in that year. Imports of commercial services and travel services from the country were valued at \$10.0 million and \$9.0 million respectively in that year.

In 2007 and 2009, the only years for which data are available, Canadian direct investment in Pakistan was valued at \$33.0 million and \$40.0 million respectively.

Data on Pakistani direct investment in Canada are not available.

Figure 7



Figure 8

