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TRADE AND INVESTMENT



Canada–Germany

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Michaël Lambert-Racine

Economics, Resources and International Affairs Division
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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 2013, Canada–Germany merchandise trade totalled \$18.9 billion, comprised of \$3.5 billion in Canadian exports to, and \$15.4 billion in imports from, Germany.

The value of Canada's exports to Germany decreased by 2.6% between 2012 and 2013, while the value of Canada's imports from the country grew by 7.7%.

Germany was Canada's ninth largest export destination worldwide in 2013. In that year, it was Canada's fourth largest source of imports globally, after the United States, China and Mexico.

Over the 2008 to 2013 period, the value of Canada's exports to Germany declined at an average annual rate of 4.9%, compared to 0.5% 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 2008 to 0.7% in 2013.

The value of Canada's imports from Germany increased at an average annual rate of 3.9% over the 2008 to 2013 period, compared to 1.8% worldwide. The value of Canada's imports from the country as a share of the value of Canada's total imports increased from 2.9% in 2008 to 3.2% in 2013.

At the provincial/territorial level, Ontario and Quebec together accounted for 78.1% of the value of Canada's exports to Germany in 2013, with exports valued at \$1.6 billion and \$1.2 billion respectively.

Over the 2008 to 2013 period, the fastest-growing provincial exporters to Germany were Manitoba, Ontario and Prince Edward Island, with average annual growth rates of 29.3%, 5.6% and 2.6% respectively.

Figure 1

Merchandise Trade

(\$ billions)

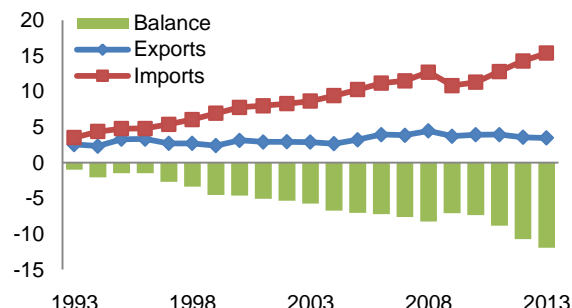


Figure 2

Importance to Canada

Average yearly growth (%):
2008–2013

Share of total trade (%):

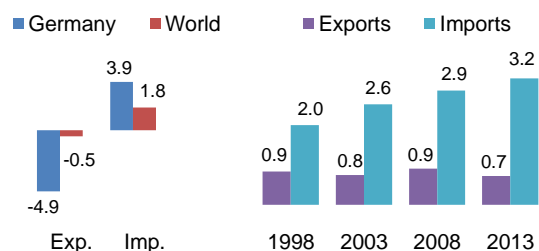
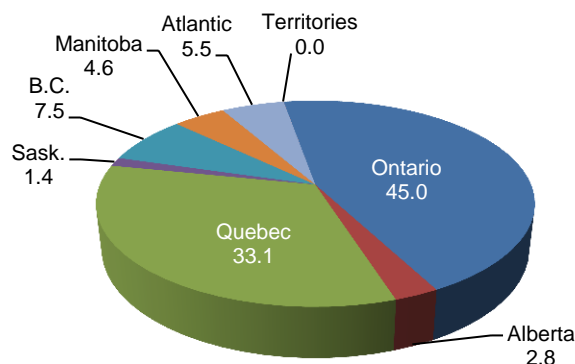


Figure 3

Exports by Province/Territory – 2013

(%)



All figures were prepared using Statistics Canada data available in spring 2014.

The merchandise trade data are customs-based; the services trade and foreign direct investment data are balance of payments-based. Numbers in this paper have been rounded.

Products

In 2013, manufactured goods accounted for 81.0% of the value of Canada's exports to Germany, with resource-based goods representing the remaining 19.0%. This composition had changed since 2008, when manufactured goods and resource-based goods accounted for 62.9% and 37.1% respectively of the value of Canada's exports to the country.

Canada's highest-valued exports to Germany in 2013 were turbojets, turbopropellers and their parts, copper ore and uranium, which together accounted for 19.7% of the value of Canada's exports to the country. The value of Canadian exports of turbojets, turbopropellers and their parts, and uranium to Germany increased from \$257.4 million and \$4.7 million respectively in 2008 to \$270.9 million and \$191.0 million respectively in 2013. The value of Canadian copper ore exports to the country declined from \$250.3 million in 2008 to \$223.5 million in 2013.

In 2013, manufactured goods represented 99.7% of the value of Canada's imports from Germany, with resource-based goods accounting for the remaining 0.3%. This composition was almost identical to that of 2008.

Canada's highest-valued imports from Germany in 2013 were motor vehicles, medications, and turbojets, turbopropellers and their parts, which together accounted for 33.9% of the value of Canada's imports from the country. The value of Canadian imports of motor vehicles and of turbojets, turbopropellers and their parts from Germany increased from \$2.4 billion and \$123.5 million respectively in 2008 to \$3.1 billion and \$903.8 million respectively in 2013. In both years, the value of Canadian medication imports from the country was \$1.2 billion.

In 2013, Canada had a trade deficit with Germany in all product categories.

Figure 4

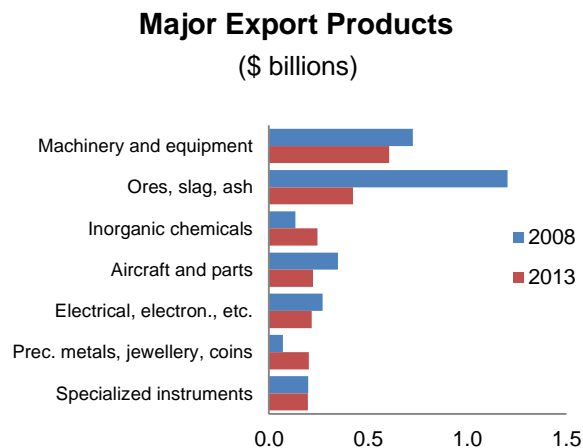


Figure 5

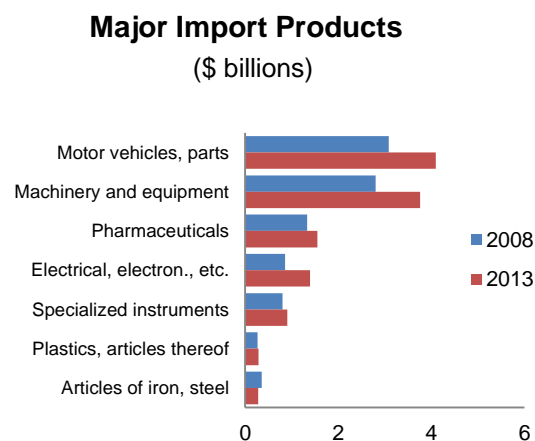
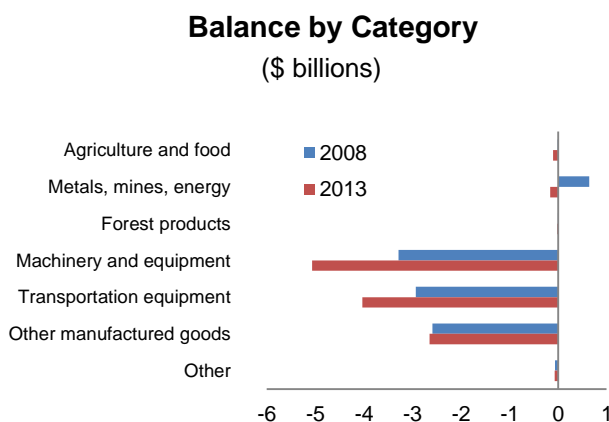


Figure 6



All figures were prepared using Statistics Canada data available in spring 2014.
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Numbers in this paper have been rounded.

Services and Investment

In 2011, the most recent year for which data are available, Canada–Germany services trade totalled \$4.3 billion, comprised of \$2.0 billion in Canadian exports to, and \$2.3 billion in imports from, Germany.

The value of Canada's services exports to Germany increased by 0.9% between 2010 and 2011, while the value of Canada's services imports from the country grew by 8.6%.

In 2011, Canada's trade deficit in services with Germany was the result of trade in commercial services, and in transportation and government services. In that year, Canada's exports to the country of commercial services, and of transportation and government services, were valued at \$1.1 billion and \$424.0 million respectively, while imports were valued at \$1.2 billion and \$772.0 million respectively. In 2011, Canada had a trade surplus with Germany in travel services.

The stock of Canadian direct investment in Germany totalled \$8.2 billion in 2013, making it Canada's 14th largest destination for foreign investment abroad among the 53 countries for which data were available. The stock of Canadian direct investment in the country increased by 33.0% between 2012 and 2013.

In 2013, the stock of German direct investment in Canada totalled \$10.1 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 10.0% between 2012 and 2013.

Figure 7

Services Trade

(\$ billions)

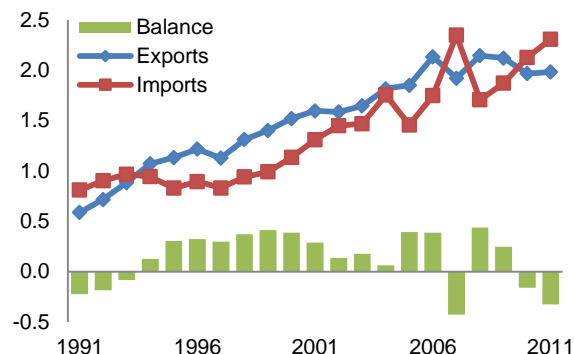


Figure 8

Services Trade by Type – 2011

(\$ billions)

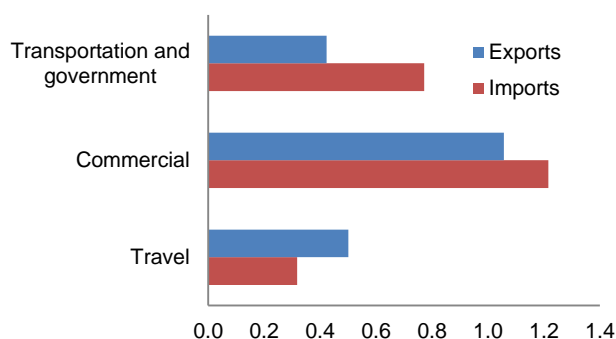
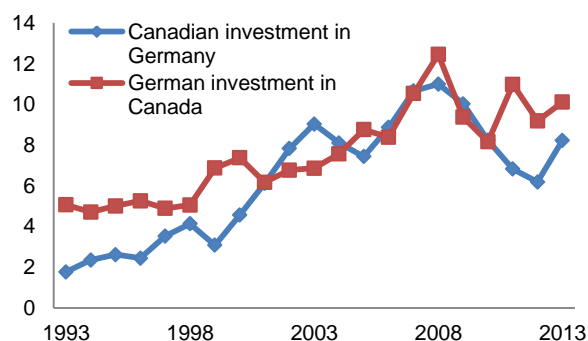


Figure 9

Foreign Direct Investment

(\$ billions)



All figures were prepared using Statistics Canada data available in spring 2014.

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

Numbers in this paper have been rounded.