

# TRADE AND INVESTMENT

## CANADA'S MERCHANDISE TRADE WITH THE WORLD



### NOTES

*The Library of Parliament Trade and Investment series provides information on Canada's trade and investment relationship with the world and with selected countries. It also describes the trade relationship of each of Canada's 10 provinces and three territories with the world.*

*All figures were prepared using Statistics Canada data available in summer 2015, with three exceptions: "Share of Global Merchandise Exports and Imports," "Exports as a Percentage of Gross Domestic Product" and "Imports as a Percentage of Gross Domestic Product." Those three figures use merchandise trade data from the World Trade Organization and gross domestic product (GDP) data from the International Monetary Fund.*

*To see the data tables used to generate the figures, view the HTML version of this paper at [Trade and Investment Series 2014](#).*

*The merchandise trade data are customs-based. Numbers in this paper have been rounded.*

*Definitions appear at the end of this paper.*

*All dollar amounts are in Canadian dollars unless otherwise noted.*

*The five most highly valued merchandise exports and imports categories have been identified based on 2014 values.*

**Pascal Tremblay**

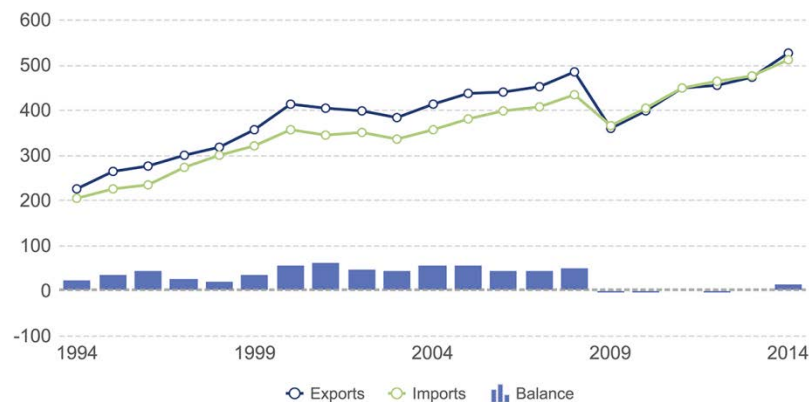
*Economics, Resources and International Affairs Division  
Parliamentary Information and Research Service*

**Publication No. 2015-61-E  
16 November 2015**

## CANADA'S MERCHANDISE TRADE WITH THE WORLD

### Merchandise Trade

(\$ billions)

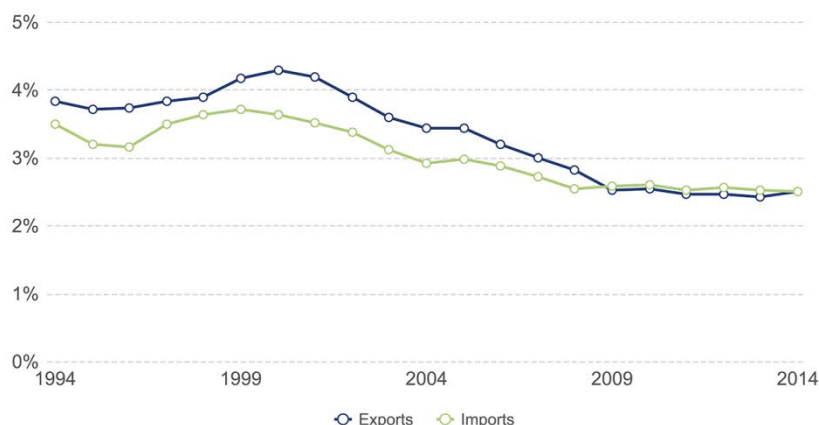


Canada's merchandise trade with the world in 2014: \$1.0 trillion

- Exports: \$525.0 billion, a 11.2% increase over 2013
- Imports: \$511.5 billion, a 7.5% increase over 2013

Trade surplus in 2014: \$13.5 billion, an increase from a deficit of \$3.7 billion in 2013

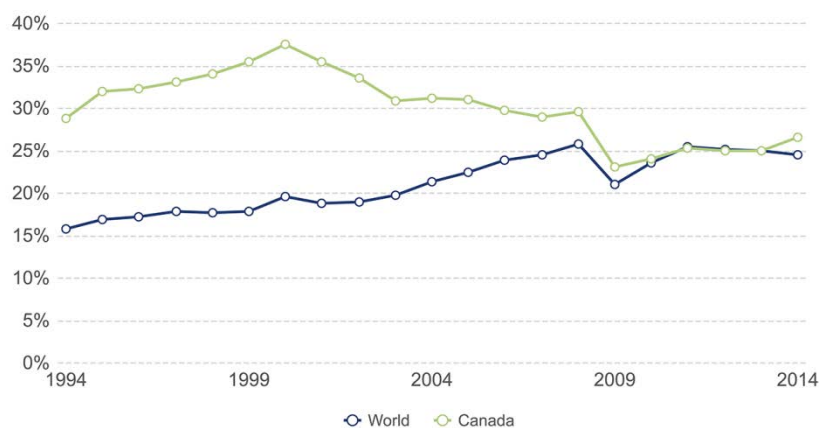
### Share of the Total Value of Global Merchandise Trade



Exports in 2014: 2.5% of the total value of global merchandise exports, an increase from 2.4% in 2013

Imports in 2014: 2.5% of the total value of global merchandise imports, unchanged from 2013

### Exports as a Percentage of Gross Domestic Product

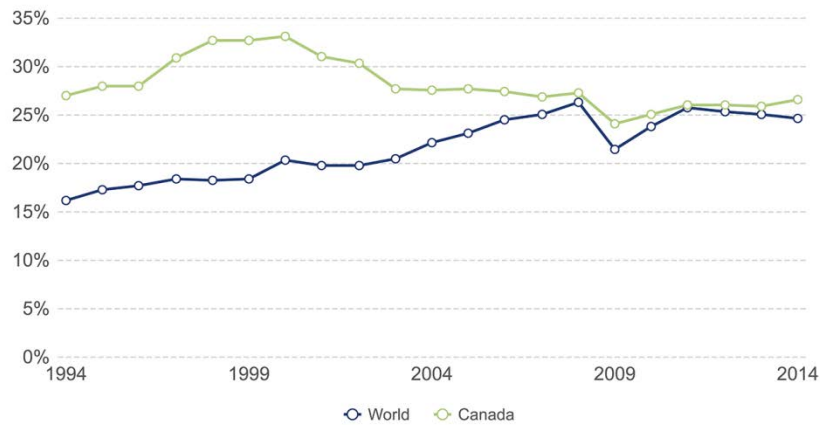


Canada's exports as a percentage of Canadian GDP in 2014: 26.5%, an increase from 24.9% in 2013

Global exports as a percentage of global GDP: 24.5%, a decrease from 24.9% in 2013

# CANADA'S MERCHANDISE TRADE WITH THE WORLD

## Imports as a Percentage of Gross Domestic Product

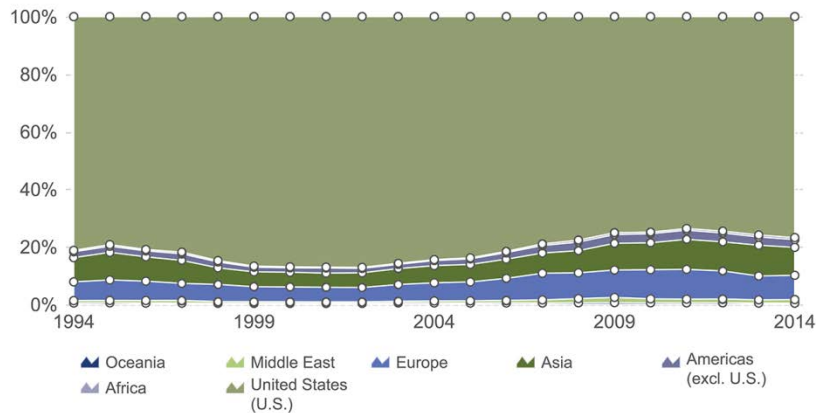


Canada's imports as a percentage of Canadian GDP in 2014: 26.5%, an increase from 25.8% in 2013

Global imports as a percentage of global GDP: 24.6%, a decrease from 25.0% in 2013

## CANADA'S MERCHANDISE TRADE DESTINATIONS AND SOURCES

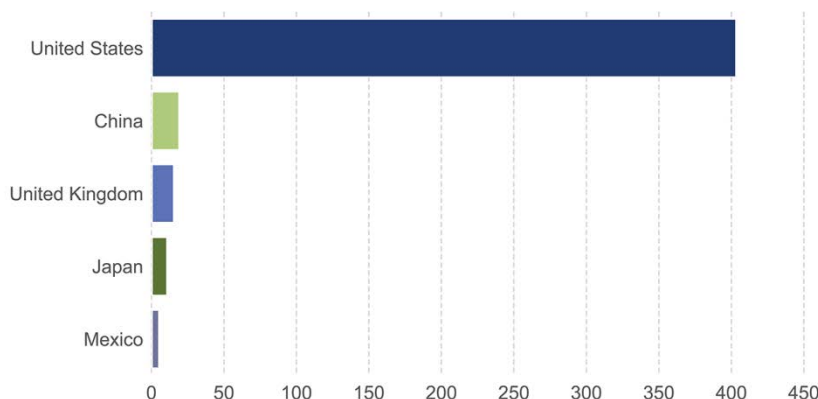
### Destinations for Exports by Region



Major destinations for merchandise exports, by region, in 2014:

- United States – 76.8%, with a value of \$403.1 billion
- Asia – 9.7%, with a value of \$50.9 billion
- Europe – 8.4%, with a value of \$44.2 billion
- Americas (excluding the United States) – 2.7%, with a value of \$14.2 billion
- Middle East – 1.2%, with a value of \$6.6 billion

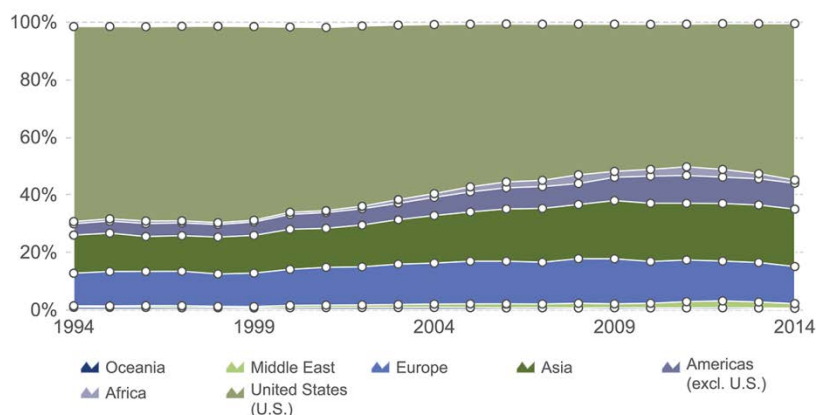
### Major Destinations for Exports by Country (\$ billions)



Major destinations for merchandise exports, by country, in 2014:

- United States – 76.8%
- China – 3.7%
- United Kingdom – 2.9%
- Japan – 2.0%
- Mexico – 1.0%

### Sources of Imports by Region

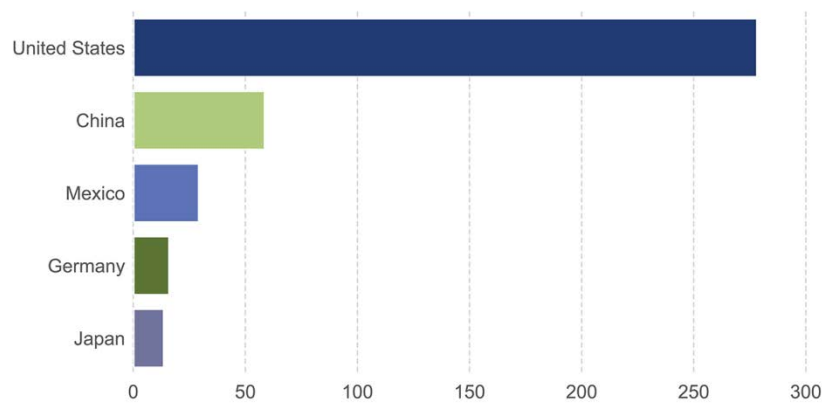


Major sources of merchandise imports, by region, in 2014:

- United States – 54.3%, with a value of \$278.0 billion
- Asia – 19.9%, with a value of \$102.0 billion
- Europe – 12.9%, with a value of \$66.0 billion
- Americas (excluding the United States) – 9.0%, with a value of \$46.1 billion
- Middle East – 1.6%, with a value of \$8.1 billion

## CANADA'S MERCHANDISE TRADE WITH THE WORLD

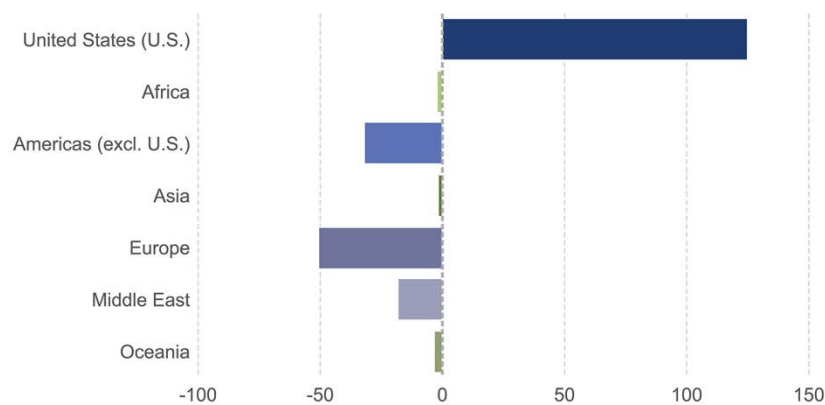
### Major Sources of Imports by Country (\$ billions)



Major sources of merchandise imports, by country, in 2014:

- United States – 54.3%
- China – 11.5%
- Mexico – 5.6%
- Germany – 3.1%
- Japan – 2.6%

### Trade Balance by Region (\$ billions)

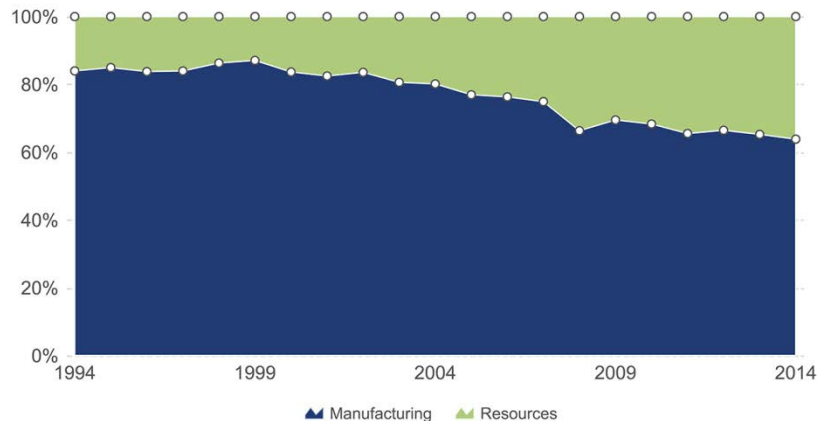


Largest merchandise trade deficit in 2014: Europe, at \$50.9 billion

Largest merchandise trade surplus in 2014: United States, at \$125.1 billion

## CANADA'S TRADE IN PRODUCTS WITH THE WORLD

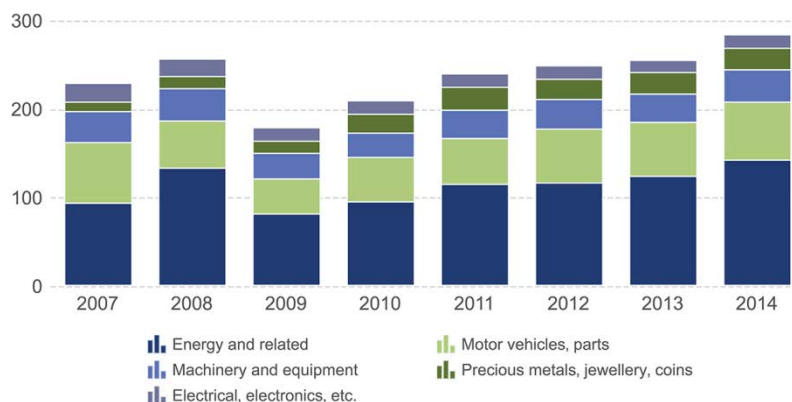
### Share of Exports by Sector



Exports in 2014:

- Resource-based goods – 36.2%, an increase from 34.8% in 2013
- Manufactured goods – 63.8%, a decrease from 65.2% in 2013

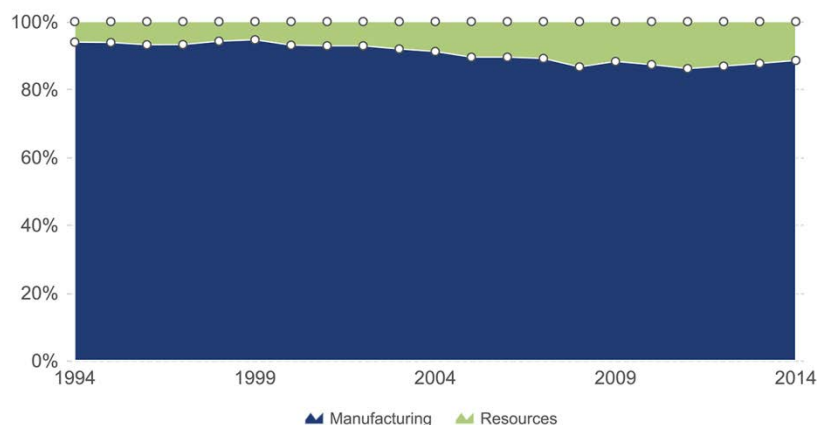
### Most Highly Valued Exports by Product Category (\$ billions)



Highest-valued exports in 2014:  
Crude oil and motor vehicles,  
together accounting for 28.0%  
of the value of Canadian exports

- Crude oil exports: \$97.4 billion, an increase from \$81.7 billion in 2013
- Motor vehicle exports: \$49.6 billion, an increase from \$46.5 billion in 2013

### Share of Imports by Sector



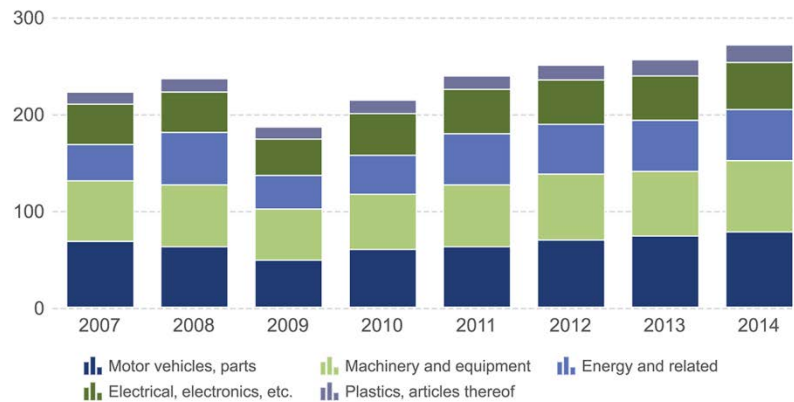
Imports in 2014:

- Resource-based goods – 11.5%, a decrease from 12.4% in 2013
- Manufactured goods – 88.5%, an increase from 87.6% in 2013

## CANADA'S MERCHANDISE TRADE WITH THE WORLD

### Most Highly Valued Imports by Product Category

(\$ billions)

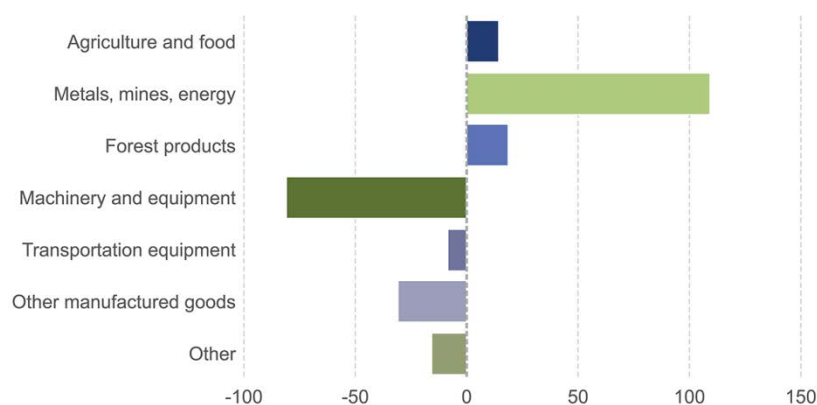


Highest-valued imports in 2014:  
Motor vehicles and crude oil, together  
accounting for 10.5% of the value of  
Canadian imports

- Motor vehicle imports:  
\$29.9 billion, an increase from  
\$27.1 billion in 2013
- Crude oil imports: \$24.0 billion,  
a decrease from \$27.0 billion  
in 2013

### Trade Balance by Product Category

(\$ billions)



Largest merchandise trade deficit  
in 2014: Machinery and equipment,  
at \$80.8 billion

Largest merchandise trade surplus  
in 2014: Metals, mines and energy,  
at \$109.3 billion

## DEFINITIONS

---

**Balance of trade:** The trade balance is the difference between the value of exports and the value of imports. There is a trade surplus if the value of exports exceeds the value of imports. There is a trade deficit if the value of imports exceeds the value of exports.

**Customs-based data:** Customs-based data are compiled from declarations filed with the Canada Border Services Agency and are used to track the flow of goods into and out of Canada, with one exception: exports to the United States. Since 1990, customs-based data on Canadian exports to the United States have been based on declarations filed with U.S. Customs and Border Protection.

**Gross domestic product (GDP):** GDP measures an economy's total production in a given year. As one entity's income is another entity's spending, GDP is equal to the total value of final sales or to the total value of incomes.

**Manufactured goods:** Manufactured goods are finished or semi-finished products resulting from the transformation of materials and substances into new products (North American Industry Classification System, or NAICS, codes 31 to 33) and the output of establishments primarily engaged in operating electric, gas and water utilities (NAICS code 22).

**Merchandise trade:** Merchandise trade refers to trade in physical goods, such as cars, wheat and iron ore.

**Resource-based goods:** Resource-based goods are products of the agriculture, forestry, fishing and hunting sector (NAICS code 11), as well as the mining, quarrying, and oil and gas extraction sector (NAICS code 21).