

The Daily

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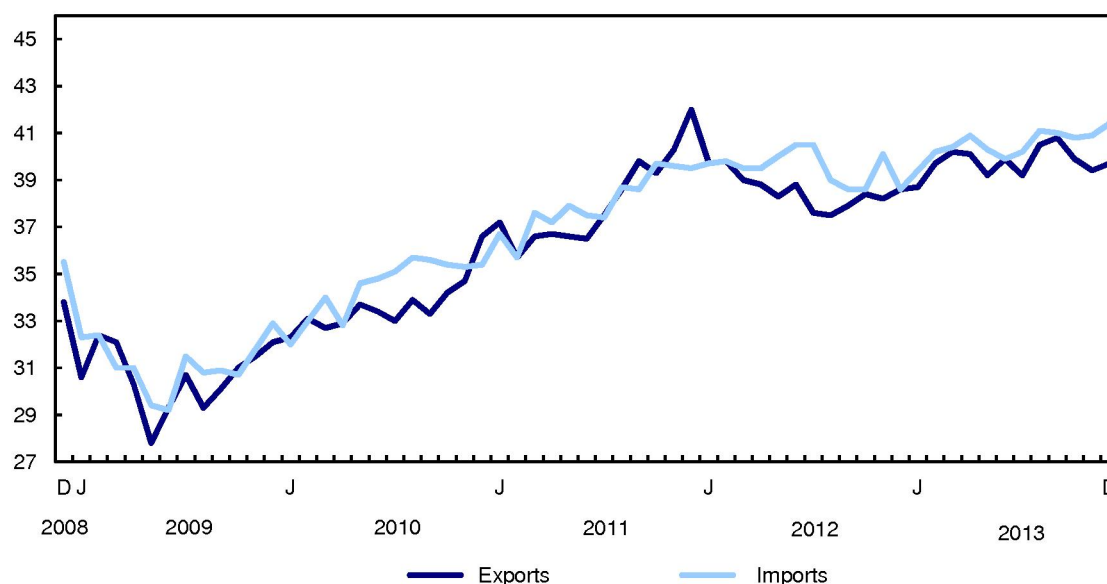
Releases

Canadian international merchandise trade, December 2013

Canada's merchandise imports grew 1.2% and exports increased 0.9% in December. Consequently, Canada's trade deficit with the world widened from \$1.5 billion in November to \$1.7 billion in December.

Chart 1 Exports and imports

billions of dollars



Note: Data are seasonally adjusted.

Imports grew to \$41.4 billion, as prices rose 1.6% while volumes declined 0.4%. Higher imports of energy products led the overall increase.

Exports rose to \$39.7 billion, as volumes grew 0.8% and prices edged up 0.1%. Increased exports in most sections were slightly offset by declines in energy products; farm, fishing and intermediate food products; and motor vehicles and parts.

Exports to the United States rose 1.2% to \$30.0 billion, while imports from the United States declined 0.4% to \$27.1 billion. As a result, Canada's trade surplus with the United States widened from \$2.4 billion in November to \$2.9 billion in December.

Imports from countries other than the United States rose 4.3% to \$14.2 billion. A large increase in imports from the principal trading area "other Organisation of Economic Co-operation and Development countries" (+38.7%) was partially offset by a decline in imports from the European Union (-12.3%). Crude oil and crude bitumen was the main factor behind both of these opposing movements. Exports to countries other than the United States were unchanged at \$9.7 billion in December. Consequently, Canada's trade deficit with countries other than the United States widened from \$4.0 billion in November to \$4.5 billion in December.

Energy products lead gain in imports

Imports of energy products rose 22.6% to \$3.9 billion in December, as volumes grew 11.4% and prices were up 10.0%. Increased imports of crude oil and crude bitumen (+30.7%) and refined petroleum energy products (+32.6%) were the main contributors to the advance.

Imports of basic and industrial chemical, plastic and rubber products grew 7.8% to \$3.5 billion on the strength of volumes. Lubricants and other petroleum refinery products was the primary factor behind this gain, as imports increased \$425 million to \$778 million in December. Fluctuations of this magnitude are common for this commodity grouping.

Imports of metal ores and non-metallic minerals were up 18.5% to \$1.1 billion. Leading the increase was other metal ores and concentrates (+27.6%), mainly lead and zinc ores and concentrates. Overall, volumes were up 23.4%.

Imports of aircraft and other transportation equipment and parts were down 9.1% to \$1.3 billion. Declines were recorded for almost all commodity groupings, led by aircraft engines and aircraft parts (-8.1%) and ships, locomotives, railway rolling stock, and rapid transit equipment (-40.3%).

Imports of motor vehicles and parts decreased 2.2% to \$7.2 billion, as volumes were down 2.6%. Lower imports of motor vehicle engines and motor vehicle parts (-2.3%), medium and heavy trucks, buses and other motor vehicles (-7.7%), and passenger cars and light trucks (-1.2%) all contributed to the section's decline.

Imports of electronic and electrical equipment and parts declined 3.7% to \$4.6 billion. There were decreases in all commodity groupings as volumes were down throughout the section.

Exports up on higher volumes

Exports of metal ores and non-metallic minerals grew 19.5% to \$1.6 billion in December, on the strength of volumes. The main contributors to the increase in exports were copper ores and concentrates, as well as diamonds and other non-metallic minerals. Lower exports of potash partially offset these gains.

Exports of basic and industrial chemical, plastic and rubber products rose 6.6% to \$2.9 billion. Basic chemicals (+13.6%) and lubricants and other petroleum refinery products (+15.8%) were the primary factors behind the gain. Overall, volumes were up 8.0%.

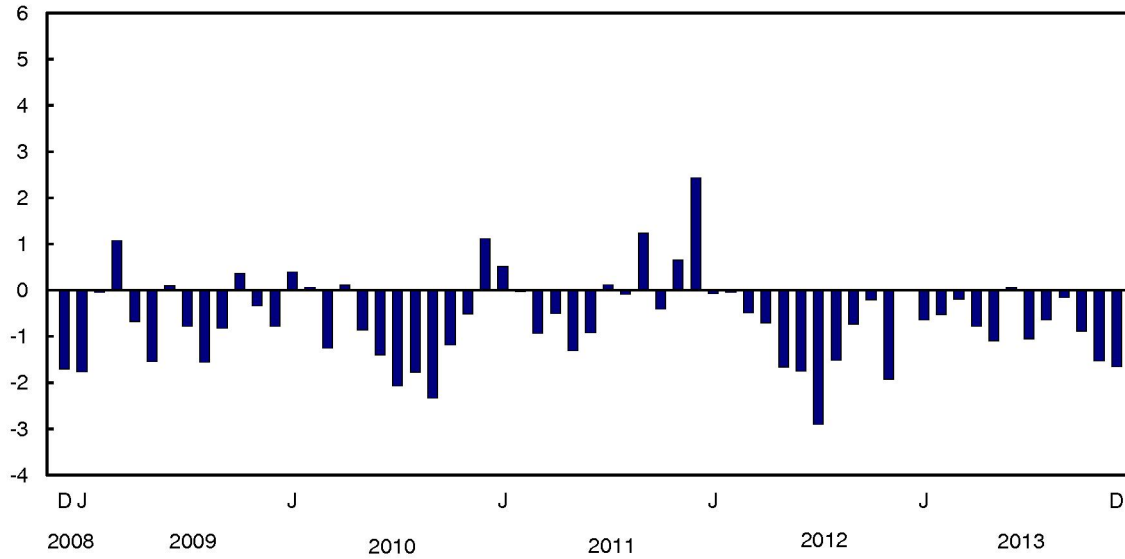
Exports of aircraft and other transportation equipment and parts increased 8.0% to \$1.5 billion. Exports of aircraft led the gain, up 26.6% to \$613 million.

Exports of farm, fishing and intermediate food products declined 4.5% to \$2.3 billion, as volumes were down 5.7%. Lower exports of canola (-17.9%), wheat (-8.5%) and other crop products (-9.5%) all contributed to the section's decrease.

Exports of energy products fell 4.5% to \$8.6 billion. Crude oil and crude bitumen was the main contributor to the decline, falling 5.0% to \$6.0 billion on lower volumes. Decreases in exports were also recorded for natural gas (-10.2%) and refined petroleum energy products (-7.9%).

Chart 2
Trade balance

billions of dollars



Note: Data are seasonally adjusted.

Note to readers

Merchandise trade is one component of Canada's international balance of payments (BOP), which also includes trade in services, investment income, current transfers as well as capital and financial flows.

International merchandise trade data by country are available on both a BOP and a customs basis for the United States, Japan and the United Kingdom. Trade data for all other individual countries are available on a customs basis only. BOP data are derived from customs data by making adjustments for factors such as valuation, coverage, timing and residency. These adjustments are made to conform to the concepts and definitions of the Canadian System of National Accounts.

Data in this release are on a BOP basis, seasonally adjusted and in current dollars. Constant dollars are calculated using the Laspeyres volume formula (2007=100).

For more information on seasonal adjustment, see *Seasonal adjustment and identifying economic trends*.

Revisions

In general, merchandise trade data are revised on an ongoing basis for each month of the current year. Current year revisions are reflected in both the customs and BOP based data.

The previous year's customs data are revised with the release of the January and February reference months as well as on a quarterly basis. The previous two years of customs based data are revised annually and are released in February with the December reference month.

The previous year's BOP based data are revised with the release of the January, February and March reference months. Revisions to BOP based data for the previous four years were released in June with the April reference month.

Factors influencing revisions include late receipt of import and export documentation, incorrect information on customs forms, replacement of estimates produced for the energy section with actual figures, changes in classification of merchandise based on more current information, and changes to seasonal adjustment factors.

Revised data are available in the appropriate CANSIM tables.

Table 1
Merchandise trade: Principal trading areas – Seasonally adjusted, current dollars

	December 2012	November 2013 ^r	December 2013	November to December 2013	December 2012 to December 2013
	millions of dollars			% change	
Total exports	38,619	39,362	39,722	0.9	2.9
United States	28,576	29,657	30,014	1.2	5.0
Japan	848	842	1,008	19.7	18.8
European Union ¹	3,028	2,613	2,640	1.0	-12.8
Other OECD countries ²	1,692	1,491	1,689	13.2	-0.2
All other countries	4,475	4,759	4,372	-8.1	-2.3
Total imports	38,635	40,896	41,381	1.2	7.1
United States	24,375	27,240	27,138	-0.4	11.3
Japan	669	765	774	1.2	15.8
European Union ¹	3,257	3,861	3,385	-12.3	3.9
Other OECD countries ²	2,835	2,491	3,455	38.7	21.9
All other countries	7,500	6,540	6,629	1.4	-11.6
Trade balance	-16	-1,534	-1,658	...	...
United States	4,201	2,417	2,876	...	...
Japan	180	77	234	...	...
European Union ¹	-228	-1,248	-745	...	...
Other OECD countries ²	-1,143	-999	-1,766	...	...
All other countries	-3,025	-1,781	-2,257	...	...

^r revised

... not applicable

1. The European Union includes Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom. Effective July 2013, Croatia is included in "European Union."

2. Other countries in the Organisation for Economic Co-operation and Development (OECD) include Australia, Canada, Chile, Iceland, Israel, Mexico, New Zealand, Norway, South Korea, Switzerland and Turkey.

Note(s): Totals may not equal the sum of their components.

Table 2
Merchandise trade: North American Product Classification System¹– Seasonally adjusted, current dollars

	December 2012	November 2013 ^r	December 2013	November to December 2013	December 2012 to December 2013
	millions of dollars			% change	
Total exports	38,619	39,362	39,722	0.9	2.9
Farm, fishing and intermediate food products	2,479	2,450	2,339	-4.5	-5.6
Energy products	8,568	8,960	8,558	-4.5	-0.1
Metal ores and non-metallic minerals	1,702	1,352	1,615	19.5	-5.1
Metal and non-metallic mineral products	4,775	4,197	4,299	2.4	-10.0
Basic and industrial chemical, plastic and rubber products	2,825	2,764	2,948	6.6	4.4
Forestry products and building and packaging materials	2,596	2,937	2,939	0.1	13.2
Industrial machinery, equipment and parts	2,174	2,243	2,313	3.2	6.4
Electronic and electrical equipment and parts	1,774	1,826	1,910	4.6	7.7
Motor vehicles and parts	5,553	5,993	5,930	-1.1	6.8
Aircraft and other transportation equipment and parts	1,397	1,377	1,488	8.0	6.5
Consumer goods	3,987	4,366	4,456	2.1	11.8
Special transactions trade ²	159	191	218	13.8	36.7
Other balance of payments adjustments	630	707	710	0.4	12.7
Total imports	38,635	40,896	41,381	1.2	7.1
Farm, fishing and intermediate food products	1,049	1,095	1,077	-1.6	2.8
Energy products	3,823	3,222	3,949	22.6	3.3
Metal ores and non-metallic minerals	844	904	1,071	18.5	26.8
Metal and non-metallic mineral products	3,516	3,326	3,342	0.5	-4.9
Basic and industrial chemical, plastic and rubber products	2,944	3,254	3,509	7.8	19.2
Forestry products and building and packaging materials	1,635	1,807	1,780	-1.5	8.8
Industrial machinery, equipment and parts	3,464	3,951	3,860	-2.3	11.4
Electronic and electrical equipment and parts	4,557	4,789	4,613	-3.7	1.2
Motor vehicles and parts	6,694	7,359	7,201	-2.2	7.6
Aircraft and other transportation equipment and parts	1,242	1,458	1,325	-9.1	6.7
Consumer goods	7,645	8,297	8,279	-0.2	8.3
Special transactions trade ²	422	590	552	-6.4	31.0
Other balance of payments adjustments	801	843	824	-2.3	2.8

^r revised

1. International merchandise trade data are based on the North American Product Classification System 2007.

2. These are mainly low valued transactions, value of repairs to equipment, and goods returned to country of origin.

Note(s): Totals may not equal the sum of their components.

Available in CANSIM: tables 228-0058 to 228-0068.

Definitions, data sources and methods: survey numbers 2201, 2202 and 2203.

These data are now available in the *Canadian International Merchandise Trade Database* (65F0013X). From the *Browse by key resource* module of our website, choose *Publications*.

The December 2013 issue of *Canadian International Merchandise Trade*, Vol. 67, no. 12 (65-001-X), is also now available from the *Browse by key resource* module of our website under *Publications*.

Data on Canadian international merchandise trade for January will be released on March 7.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Alec Forbes (613-951-0325), International Trade Division.

Study: Productivity growth in the Canadian broadcasting and telecommunications industry, 1984 to 2008

Labour productivity in the Canadian broadcasting and telecommunications industry increased on average 3.9% per year from 1984 to 2008.

However, labour productivity rose faster from 1984 to 1998 than in the 2000s in this industry, increasing on average 4.9% per year from 1984 to 1998 compared with 2.9% from 2000 to 2008.

Labour productivity can increase as a result of technical progress, the exploitation of scale economies, the effect of capital deepening, and purchases of intermediate inputs such as professional and business services. It can also increase from the competitive process that shifts market shares from declining and exiting firms to growing and entering firms that tend to be more productive.

From 2000 to 2008, labour productivity increased on average 2.9% per year in the broadcasting and telecommunications industry. Technical progress contributed 1.4 percentage points. The exploitation of scale economies that results from increases in firm size contributed 0.6 percentage points.

The competitive process and the capital deepening made little contribution to the growth in labour productivity from 2000 to 2008.

The decline in labour productivity growth in the 2000s relative to the earlier period was mainly a result of declines in the effects of capital deepening and the competitive process associated with entry and exit, both of which were higher in the 1990s.

The research paper "Productivity Growth in the Canadian Broadcasting and Telecommunications Industry: Evidence from Micro Data," part of the *Economic Analysis Research Paper Series* (11F0027M), is now available from the *Browse by key resource* module of our website under *Publications*.

Similar studies are available in the [Update on Economic Analysis](#) module of our website.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

To enquire about the concepts, methods or data quality of this release, contact Wulong Gu (613-951-0754), or John Baldwin (613-951-8588), Economic Analysis Division.

Chain Fisher real export and import values, December 2013

The monthly chain Fisher real dollar values (reference year 2007) for Canadian international merchandise trade are now available for December.

Available in CANSIM: tables 228-0061 and 228-0062.

Definitions, data sources and methods: survey numbers 2201, 2202 and 2203.

The December 2013 issue of *Canadian International Merchandise Trade*, Vol. 67, no. 12 (65-001-X), is now available from the *Browse by key resource* module of our website under *Publications*.

Data on Canadian international merchandise trade for January will be released on March 7.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

Export and import price indexes, December 2013

Current- and fixed-weighted export and import price indexes (2007=100) on a customs or balance of payments basis are now available based on the North American Product Classification System 2007.

Current- and fixed-weighted import and export price indexes (2007=100) for all countries and the United States on customs basis, by Standard International Trade Classification, are also available.

Available in CANSIM: tables 228-0063 to 228-0068.

Definitions, data sources and methods: survey numbers 2201, 2202 and 2203.

The December 2013 issue of *Canadian International Merchandise Trade*, Vol. 67, no. 12 (65-001-X), is now available from the *Browse by key resource* module of our website under *Publications*.

Data on Canadian international merchandise trade for January will be released on March 7.

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Motion picture theatres, 2012

Data on the motion picture theatres industry are now available for 2012.

Note to readers

The motion picture theatres survey is now conducted in partnership with the Department of Canadian Heritage. Because of a change in frequency of the survey, the publication Motion Picture Theatres will not be published in 2015 for the reference year 2013.

Available in CANSIM: tables 361-0012 and 361-0028.

Definitions, data sources and methods: survey number 2416.

The publication *Motion Picture Theatres, 2012* (87F0009X), is now available from the *Browse by key resource* module of our website under *Publications*. It contains industry highlights along with financial data including revenues, expenses and operating profit margins.

For more information, or to order data, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca).

For analytical information, or to enquire about the concepts, methods or data quality of this release, contact Lawrence Arbenser (613-951-3003; lawrence.arbenser@statcan.gc.ca), Service Industries Division.

Balance sheet of the agricultural sector, December 31, 2012 (revised)

Revised data on the balance sheet of the agricultural sector, at December 31, are now available for 2012.

Note to readers

Every five years, following the Census of Agriculture, the methods and concepts used to estimate the balance sheet series are reviewed. Estimates for the balance sheet integrate a variety of administrative and survey data sources. Consequently, this review is used as an opportunity to improve data sources, coverage and estimation methods. As a result of this review, revisions back to 2005 are now available and are reflected in the data in CANSIM.

Available in CANSIM: table 002-0020.

Definitions, data sources and methods: survey number 5029.

For more information, or to enquire about the concepts, methods or data quality of this release, contact us (toll-free 1-800-263-1136; 514-283-8300; infostats@statcan.gc.ca) or Media Relations (613-951-4636; mediahotline@statcan.gc.ca).

New products and studies

New products

Building Permits, December 2013, Vol. 57, no. 12
Catalogue number 64-001-X (HTML | PDF)

Canadian International Merchandise Trade, December 2013, Vol. 67, no. 12
Catalogue number 65-001-X (HTML | PDF)

Canadian International Merchandise Trade Database, December 2013
Catalogue number 65F0013X (Database)

Motion Picture Theatres, 2012
Catalogue number 87F0009X (HTML | PDF)

New studies

Economic Analysis (EA) Research Paper Series: "Productivity Growth in the Canadian Broadcasting and Telecommunications Industry: Evidence from Micro Data", No. 89
Catalogue number 11F0027M2014089 (HTML | PDF)



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