

TRADE AND INVESTMENT

CANADA–MICHIGAN

MICHIGAN'S PROFILE

Economic Indicators

- Gross domestic product (GDP): US\$505.0 billion (2017)
- GDP per capita: US\$50,700 (2017)
- Population: 10.0 million (2017)
- Merchandise exports to Michigan: 1st among the 50 U.S. states (2017)
- Merchandise imports from Michigan: 1st among the 50 U.S. states (2017)
- Estimated number of jobs that depend on trade with Canada: 233,200 (2013)
- Best States for Infrastructure ranking: 40th among the 50 U.S. states (2018)
- Best States for Economy ranking: 22nd among the 50 U.S. states (2018)
- Canada's ranking as a destination for Michigan's international merchandise exports: 1st (2017)



NOTES

The Library of Parliament's 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. In addition, it presents Canada's merchandise trade relationship with each of the United States' 50 states.

All figures were prepared using Statistics Canada customs-based merchandise trade data available in spring 2018.

To see the data tables used to generate the figures, view the HTML version of this profile at [Trade and Investment Series 2017](#).

Numbers in this profile have been rounded.

All dollar amounts are in Canadian dollars unless otherwise noted.

Definitions appear at the end of this profile.

The five most highly valued merchandise export and import categories have been identified based on 2017 values.

In the Economic Indicators section, data for GDP are from the U.S. Bureau of Economic Analysis, Canada's ranking as a destination for the state's international merchandise exports and data on population are from the U.S. Census Bureau, the rankings of the state as a

destination for Canadian merchandise exports and as a source of Canadian merchandise imports are based on Statistics Canada data, and the best states for infrastructure and economy rankings are from U.S. News & World Report. GDP per capita was calculated by dividing state GDP by state population. The estimated number of jobs that depend on trade with Canada is from Peter B. Dixon and Maureen T. Rimmer, [The Dependence of U.S. Employment on Canada, 2013](#) (567 kB, 36 pages), 3 December 2014.

Marie Dumont

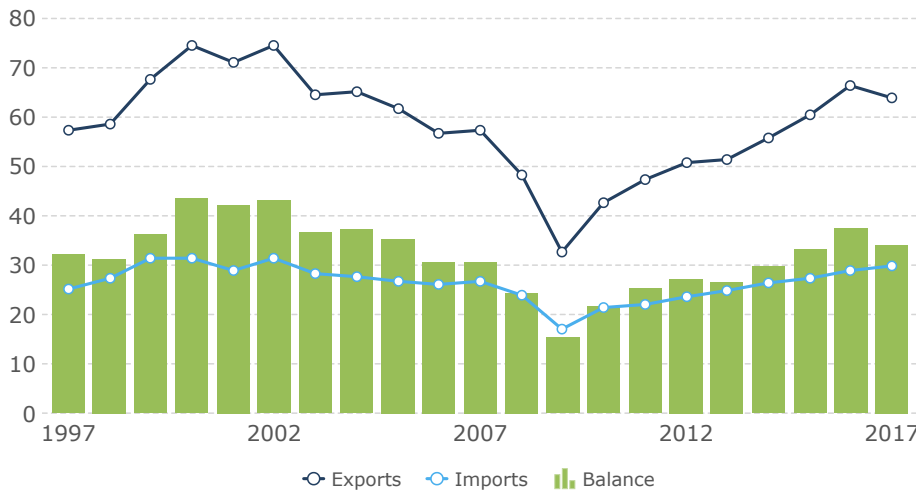
*Economics, Resources and International Affairs Division
Parliamentary Information and Research Service*

**Publication No. 2018-539-E
September 2018**

CANADA'S MERCHANDISE TRADE WITH MICHIGAN

Merchandise Trade

(\$ billions)

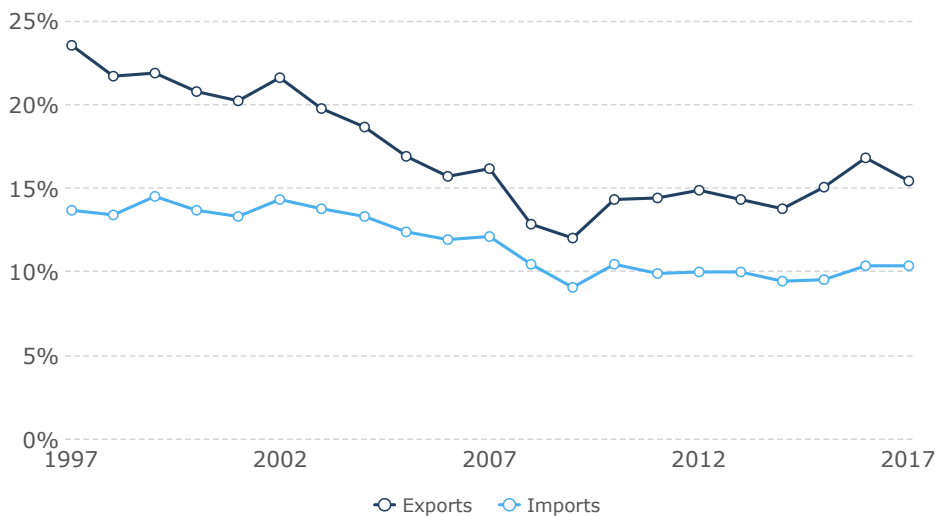


Bilateral merchandise trade in 2017: \$93.7 billion

- Exports: \$63.8 billion, a 3.5% decrease from 2016
- Imports: \$29.9 billion, a 3.8% increase from 2016

Trade surplus in 2017: \$33.9 billion, a decrease from \$37.4 billion in 2016

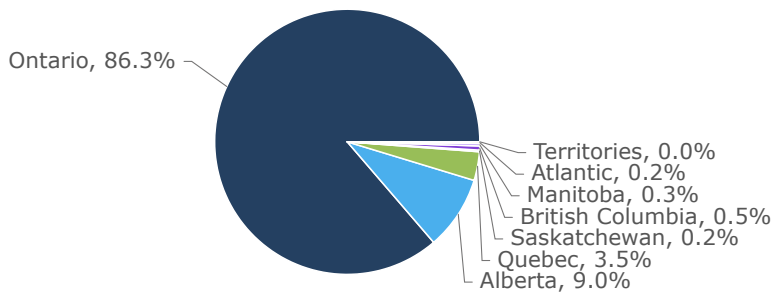
Share of the Total Value of Canadian Trade



Exports in 2017: 15.4% of the total value of Canadian exports to the United States, a decrease from 16.8% in 2016

Imports in 2017: 10.4% of the total value of Canadian imports from the United States, unchanged from 2016

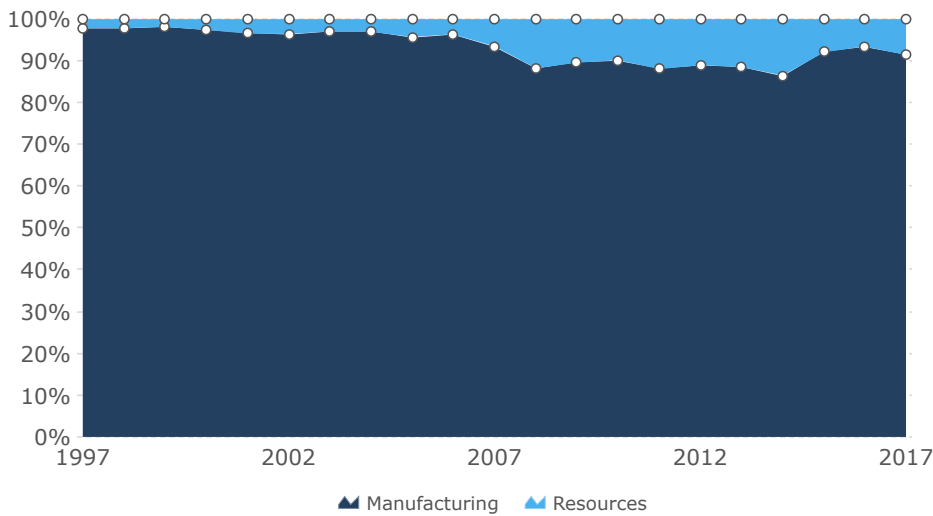
Share of Exports by Province/Territory



Highest-valued exporters in 2017:

- Ontario – \$55.1 billion, a decrease from \$58.8 billion in 2016
- Alberta – \$5.7 billion, an increase from \$4.6 billion in 2016

Share of Exports by Sector



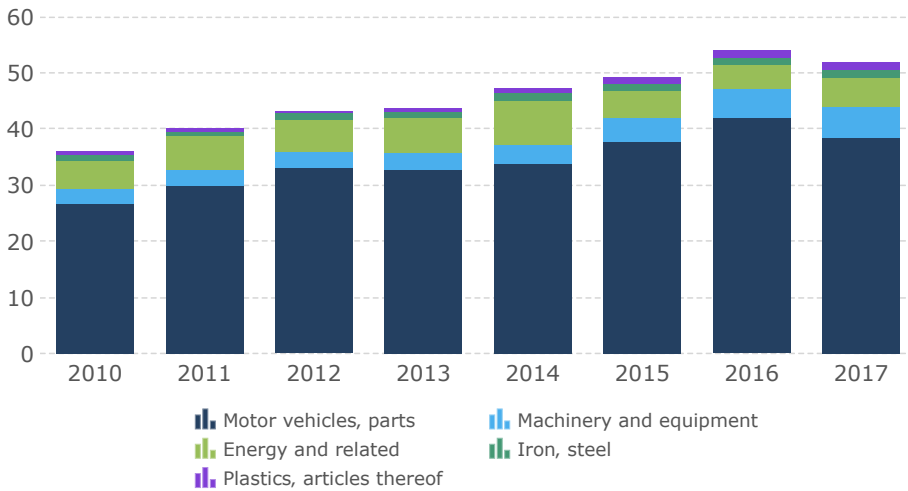
Exports in 2017:

- Resource-based goods – 8.7%, an increase from 6.7% in 2016
- Manufactured goods – 91.3%, a decrease from 93.3% in 2016

Most Highly Valued Exports by Product Category



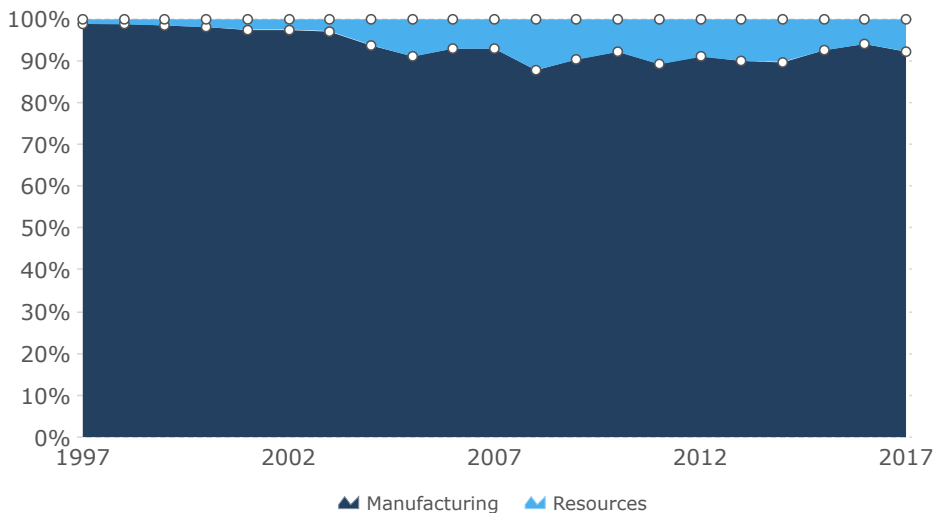
(\$ billions)



Highest-valued exports in 2017: Motor vehicles and motor vehicle parts, together accounting for 59.3% of the total value of Canadian exports to Michigan

- Motor vehicles: \$32.1 billion, a decrease from \$35.5 billion in 2016
- Motor vehicle parts: \$5.7 billion, a decrease from \$5.8 billion in 2016

Share of Imports by Sector

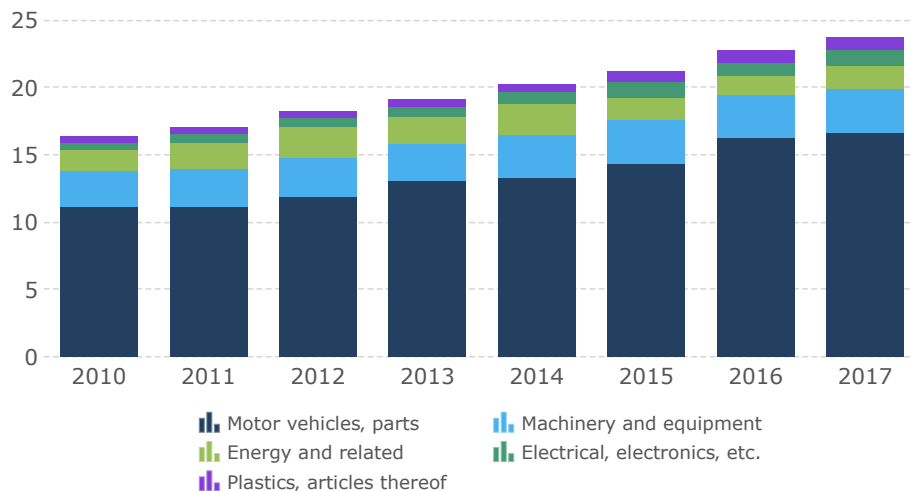


Imports in 2017:

- Resource-based goods – 7.8%, an increase from 6.1% in 2016
- Manufactured goods – 92.2%, a decrease from 93.9% in 2016

Most Highly Valued Imports by Product Category

(\$ billions)

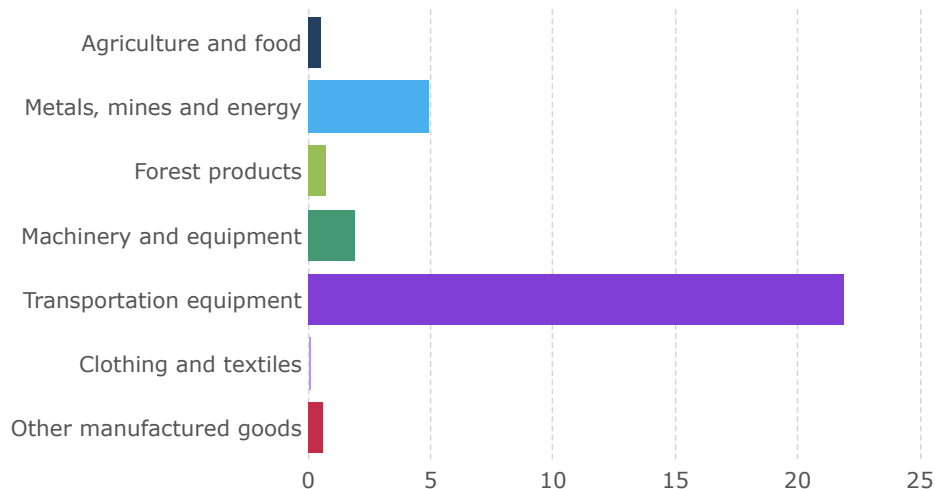


Highest-valued imports in 2017: Trucks and other goods-transporting vehicles, and motor vehicle parts, together accounting for 43.8% of the total value of Canadian imports from Michigan

- Trucks and other goods-transporting vehicles: \$7.1 billion, an increase from \$6.5 billion in 2016
- Motor vehicle parts: \$6.0 billion, a decrease from \$6.2 billion in 2016

Trade Balance by Product Category

(\$ billions)



Largest merchandise trade surplus in 2017: Transportation equipment, at \$21.9 billion

Largest merchandise trade deficit in 2017: none

DEFINITIONS

Definitions Used Throughout the Series

Balance of payments–based data

Data that calculate trade flows using surveys of the international trade and investment activity of firms and other entities.

Customs-based data

Data compiled from declarations that are filed with the Canada Border Services Agency and that 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)

Measure of 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

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

Trade in physical goods, such as cars, wheat and iron ore.

Resource-based goods

Products of the agriculture, forestry, fishing and hunting sector (North American Industry Classification System, or NAICS, code 11), and of the mining, quarrying, and oil and gas extraction sector (NAICS code 21).

Services trade

Trade in travel, transportation, government and commercial services. Travel services are goods and services purchased abroad by travellers, with one exception: cross border transportation. Transportation services are the transportation of goods and cross-border travellers, and related services. Government services arise largely from official representation and military activities, and some governmental commercial activities. Commercial services are all other services, such as management, financial or engineering services; this category also includes charges for the use of intellectual property.

Trade balance

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.

Definitions Specific to the Profiles for Countries and Regions

Foreign direct investment (FDI)

Investment that provides an investor with ownership of at least 10% voting equity in an enterprise that is located in a country other than the investor's country of residence. The stock of FDI is the value of the accumulated equity owned by investors abroad; the stock changes from year to year based on flows of FDI.

Purchasing power parity (PPP)

Ratio of the prices in two countries for identical goods and services. It is used to adjust economic indicators to account for international price differences. With a calculation of GDP at PPP, a given good or service has the same price in each country.

Definition Specific to the Profile for Canada's Foreign Direct Investment Relationship with the World

Foreign majority-owned affiliates

Enterprises in which a foreign business owns more than 50% of voting shares.

Definitions Specific to the Profile for the European Union

EU-13

The 13 countries that joined the European Union between 2004 and 2013: Bulgaria, Croatia, Cyprus, Czechia, Estonia, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Slovakia and Slovenia.

EU-15

The 15 countries that became members of the European Union before 2004: Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden and the United Kingdom.

Definitions Specific to the Profiles for Provinces and Territories

Basic prices

Prices received by sellers. They exclude both taxes and subsidies on products.

Market prices

Prices paid by buyers. They include taxes net of subsidies on products.