



TRADE AND INVESTMENT

CANADA–10 OTHER TRANS-PACIFIC PARTNERSHIP COUNTRIES

NOTABLE TRADE AND INVESTMENT AGREEMENTS

Notable trade and investment agreements between Canada and the other *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (CPTPP) countries:



- *Comprehensive and Progressive Agreement for Trans-Pacific Partnership* (2018)
- Canada–United States–Mexico Agreement (signed, but not in force)
- *North American Free Trade Agreement* (1994) with Mexico
- Canada–Pacific Alliance Free Trade Agreement (under negotiation) with Mexico, Chile and Peru
- *Canada–Peru Free Trade Agreement* (2009)
- *Canada–Peru Foreign Investment Promotion and Protection Agreement* (2007)
- *Canada–Chile Free Trade Agreement* (1997)
- Canada–Japan Economic Partnership Agreement (under negotiation)
- Canada–Singapore Free Trade Agreement (under negotiation)

FUNDAMENTALS

The Series

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;
- describes the trade relationship of each of Canada's 10 provinces and three territories with the world; and
- presents Canada's merchandise trade relationship with each of the United States' 50 states.

All dollar amounts are in Canadian dollars unless otherwise noted.

Numbers have been rounded.

Definitions appear at the end of this profile.

This Profile

Merchandise trade data are customs-based.

Services trade data are balance of payments-based.

Foreign direct investment data are balance of payments-based.

Services trade data do not include Brunei Darussalam and Peru because data for Canada's services trade with these countries are not available for 2018.

Data on foreign direct investment stocks in Canada do not include Brunei Darussalam, Peru and Viet Nam because data for these countries are not available for 2018.

The five most highly valued merchandise export and import categories have been identified using values for 2018.

All figures were prepared using Statistics Canada data available in autumn 2019.

For the data tables used to generate the figures, see the HTML version of this profile at [Trade and Investment Series 2018](#).

Detailed economic and population data on CPTPP countries are provided at the end of this profile.

Simon Richards

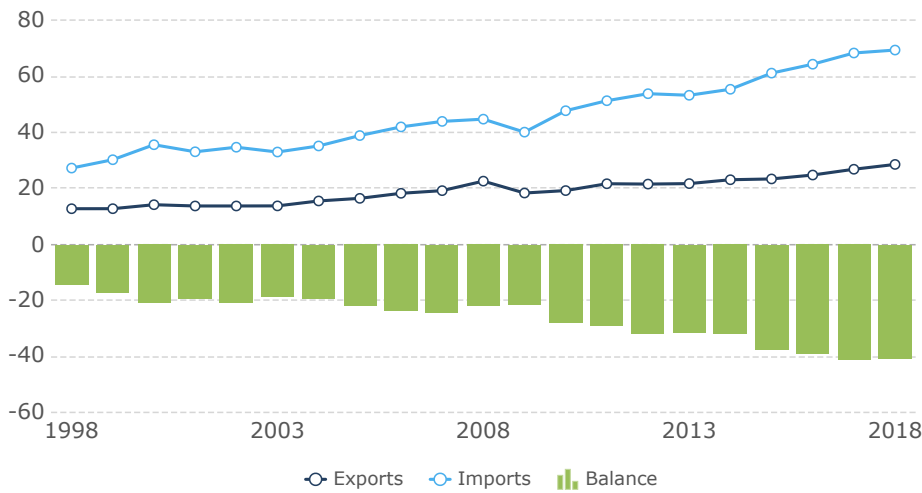
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CANADA'S MERCHANDISE TRADE WITH THE OTHER CPTPP COUNTRIES

Merchandise Trade

(\$ billions)

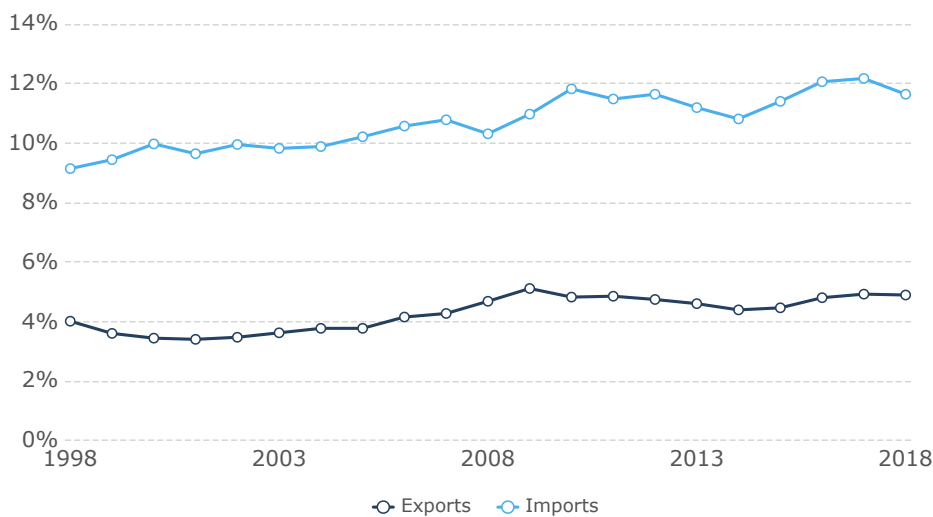


Merchandise trade between Canada and the other CPTPP countries in 2018: \$97.9 billion

- Exports: \$28.6 billion, a 6.4% increase from 2017
- Imports: \$69.4 billion, a 1.5% increase from 2017

Trade deficit in 2018: \$40.8 billion, a decrease from \$41.5 billion in 2017

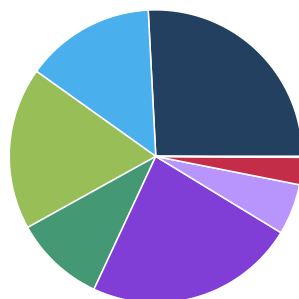
Share of the Total Value of Canadian Trade



Exports to the other CPTPP countries in 2018: 4.9% of the total value of Canadian exports, unchanged from 2017

Imports from the other CPTPP countries in 2018: 11.6% of the total value of Canadian imports, a decrease from 12.2% in 2017

Share of Exports by Province/Territory



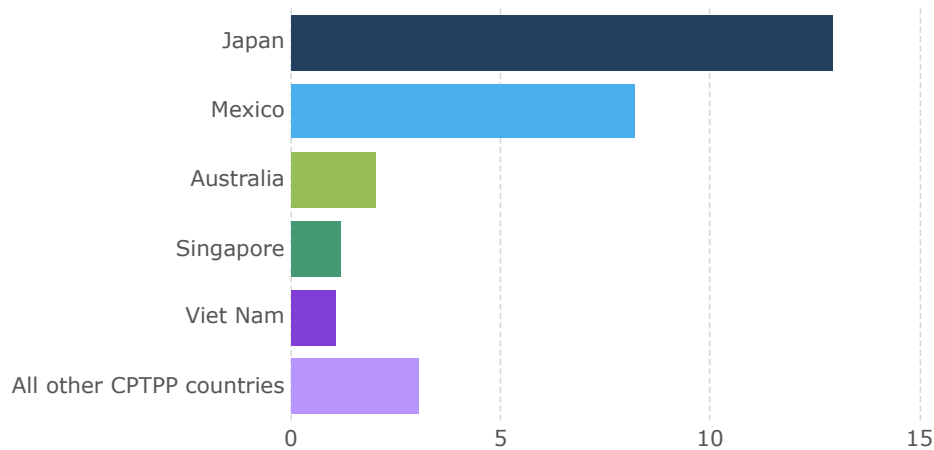
- Ontario
- Alberta
- Quebec
- Saskatchewan
- British Columbia
- Manitoba
- Atlantic provinces
- Territories

Highest-valued exporters to the other CPTPP countries in 2018:

- Ontario – \$7.4 billion, an increase from \$7.0 billion in 2017
- British Columbia – \$6.6 billion, an increase from \$5.9 billion in 2017

Destinations for Merchandise Exports by Country

(\$ billions)

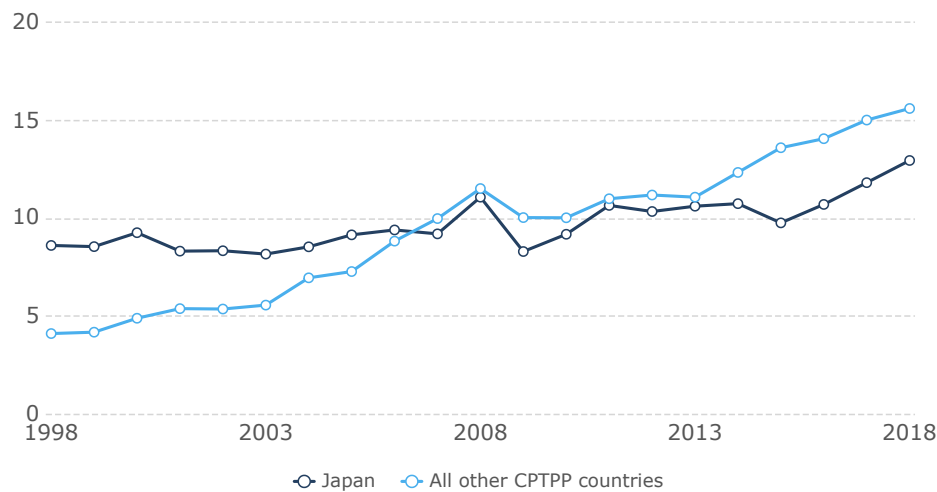


Destinations for merchandise exports to the other CPTPP countries, by country, in 2018:

- Japan – 45.4%
- Mexico – 28.8%
- Australia – 7.2%
- Singapore – 4.2%
- Viet Nam – 3.8%
- All other CPTPP countries – 10.7%

Destinations for Merchandise Exports by Region

(\$ billions)

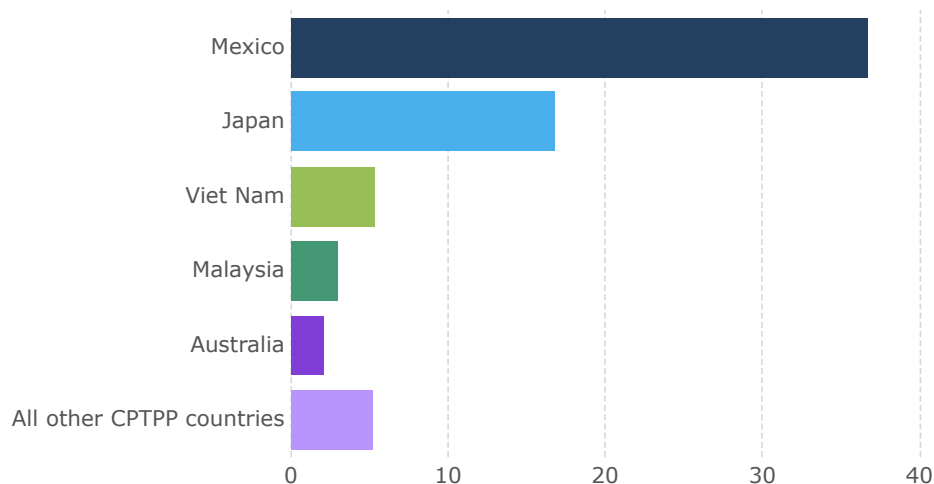


Merchandise exports to Japan and to all other CPTPP countries in 2018:

- Japan – \$13.0 billion, an increase from \$11.8 billion in 2017
- All other CPTPP countries – \$15.6 billion, an increase from \$15.0 billion in 2017

Sources of Merchandise Imports by Country

(\$ billions)

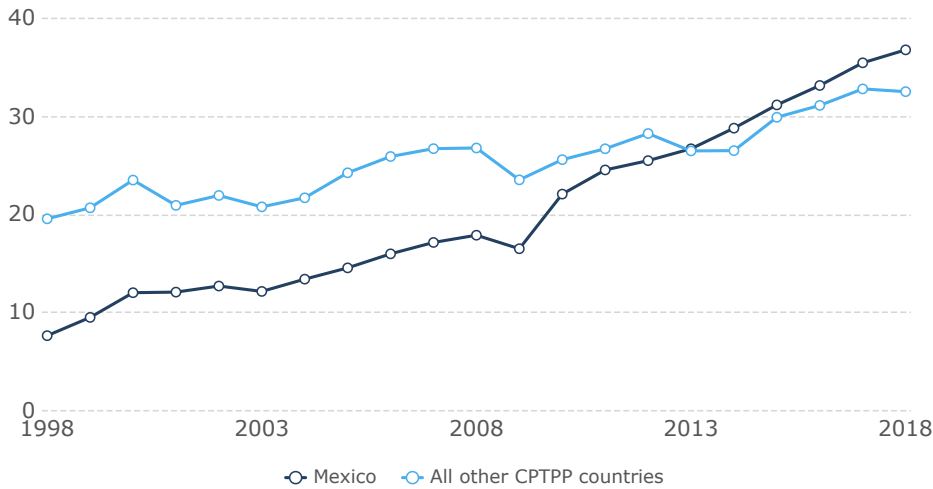


Sources of merchandise imports from the other CPTPP countries, by country, in 2018:

- Mexico – 53.1%
- Japan – 24.3%
- Viet Nam – 7.8%
- Malaysia – 4.3%
- Australia – 3.0%
- All other CPTPP countries – 7.6%

Sources of Merchandise Imports by Region

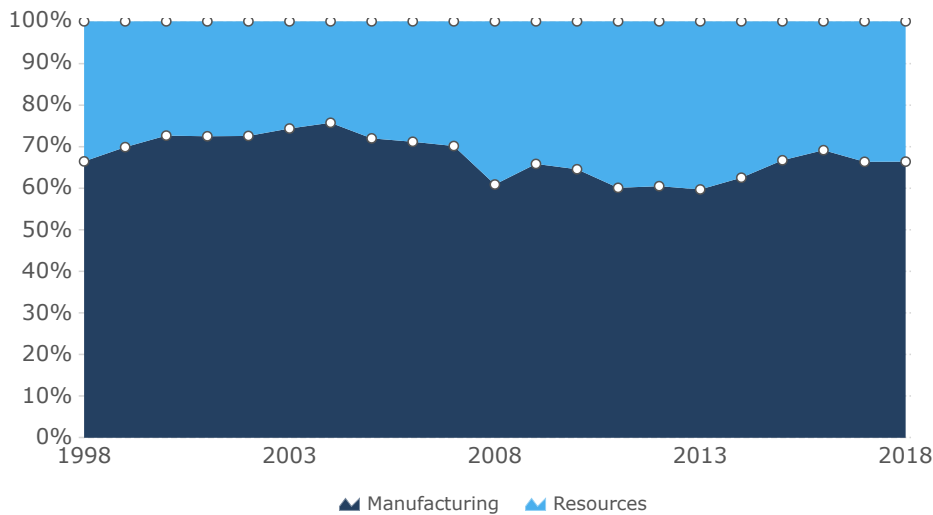
(\$ billions)



Merchandise imports from Mexico and from all other CPTPP countries in 2018:

- Mexico – \$36.8 billion, an increase from \$35.5 billion in 2017
- All other CPTPP countries – \$32.6 billion, a decrease from \$32.8 billion in 2017

Share of Exports by Sector

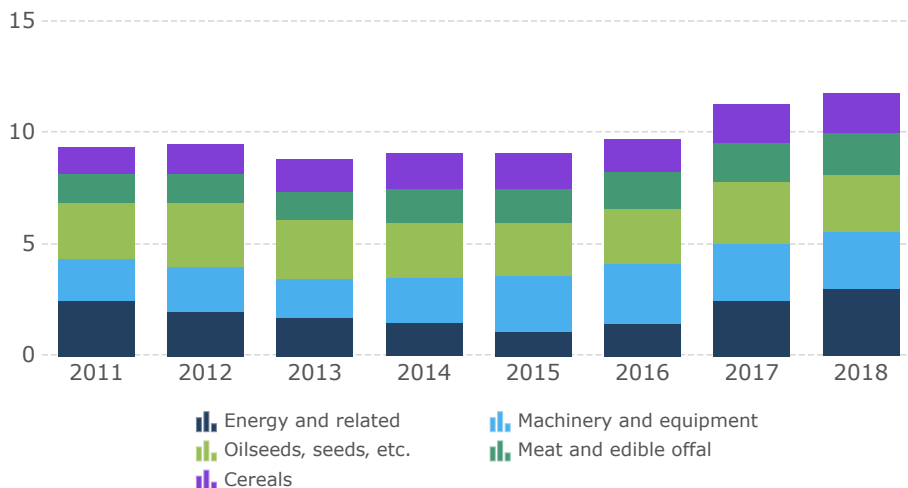


Exports in 2018:

- Resource-based goods – 33.7%, unchanged from 2017
- Manufactured goods – 66.3%, unchanged from 2017

Most Highly Valued Exports by Product Category

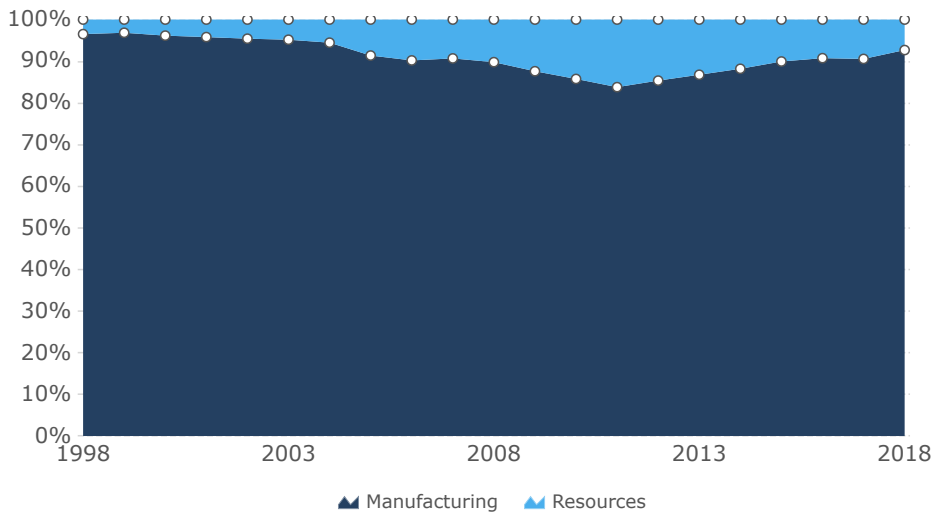
(\$ billions)



Highest-valued exports in 2018: Coal and canola seeds, together accounting for 14.8% of the total value of Canadian exports to the other CPTPP countries

- Coal: \$2.3 billion, an increase from \$1.9 billion in 2017
- Canola seeds: \$2.0 billion, a decrease from \$2.3 billion in 2017

Share of Imports by Sector

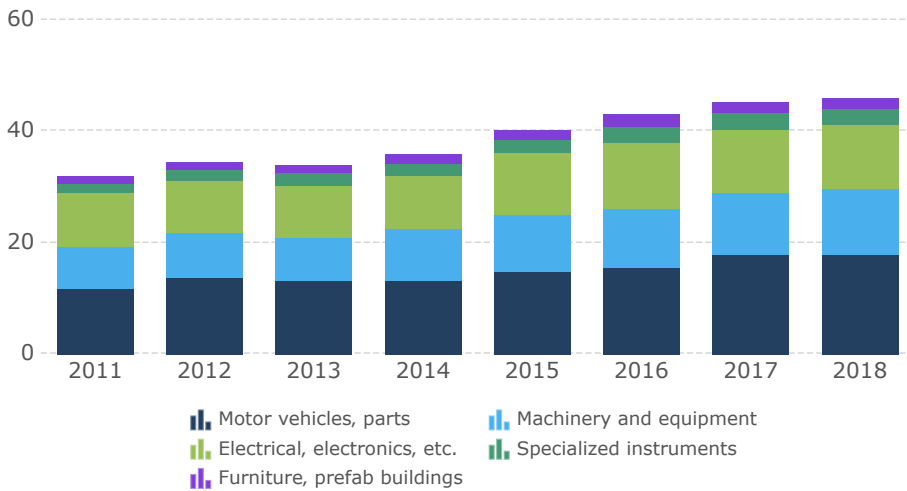


Imports in 2018:

- Resource-based goods – 7.3%, a decrease from 9.4% in 2017
- Manufactured goods – 92.7%, an increase from 90.6% in 2017

Most Highly Valued Imports by Product Category

(\$ billions)

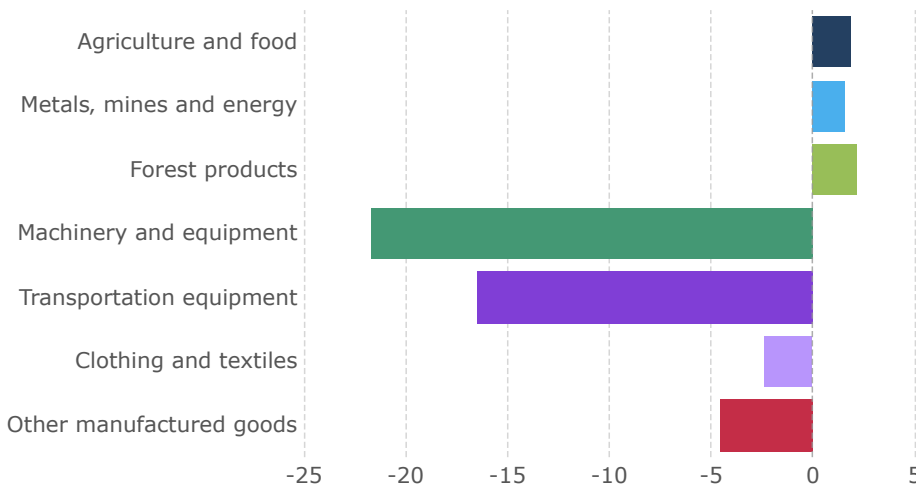


Highest-valued imports in 2018: Motor vehicles and motor vehicle parts, together accounting for 18.9% of the total value of Canadian imports from the other CPTPP countries

- Motor vehicles: \$9.4 billion, an increase from \$8.2 billion in 2017
- Motor vehicle parts: \$3.7 billion, a decrease from \$4.0 billion in 2017

Trade Balance by Product Category

(\$ billions)



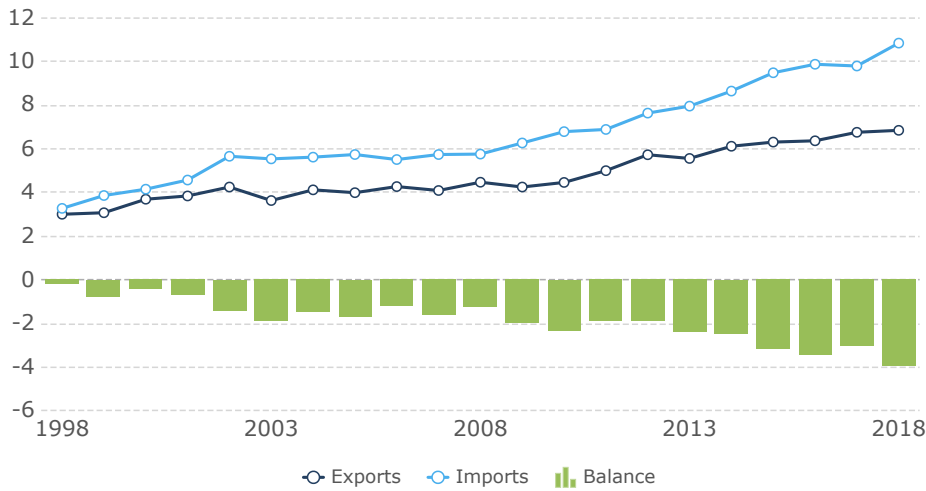
Largest merchandise trade deficit in 2018: Machinery and equipment, at \$21.7 billion

Largest merchandise trade surplus in 2018: Forest products, at \$2.2 billion

CANADA'S SERVICES TRADE WITH SELECTED OTHER CPTPP COUNTRIES

Services Trade

(\$ billions)



Services trade between Canada and selected other CPTPP countries in 2018: \$17.7 billion

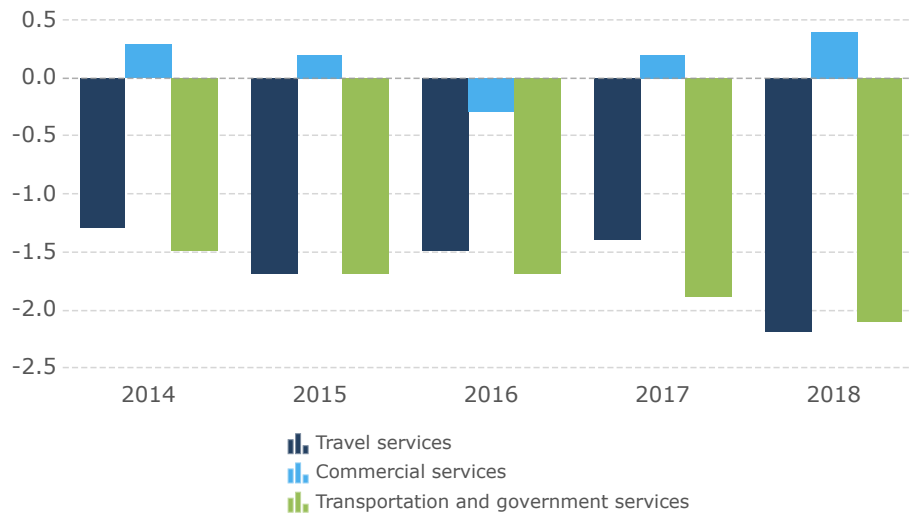
- Exports: \$6.9 billion, a 1.2% increase from 2017
- Imports: \$10.9 billion, a 10.6% increase from 2017

Trade deficit in 2018: \$4.0 billion, an increase from \$3.0 billion in 2017

Services trade data do not include Brunei Darussalam and Peru because data for Canada's services trade with these countries are not available for 2018

Services Trade by Type

(\$ billions)



Services trade deficit in 2018: Largely due to travel services trade

Travel services

- Exports: \$2.8 billion
- Imports: \$5.0 billion

Commercial services

- Exports: \$2.6 billion
- Imports: \$2.2 billion

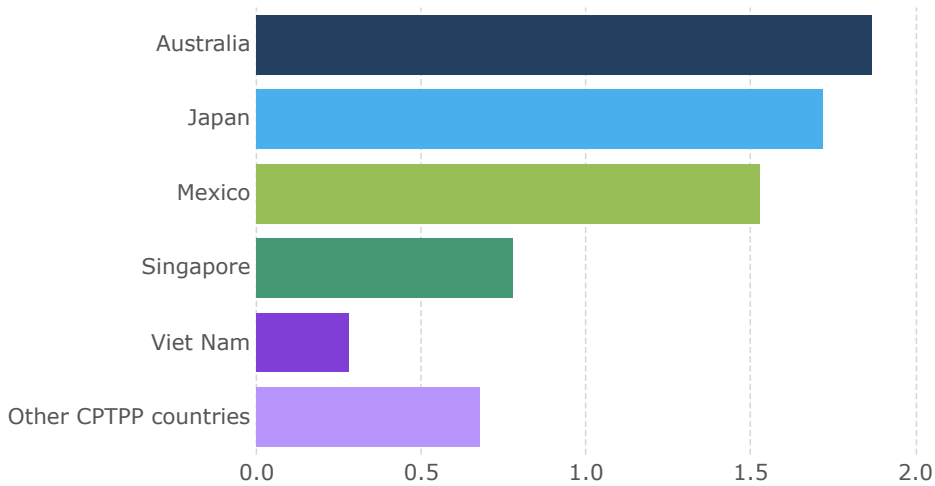
Transportation and government services

- Exports: \$1.5 billion
- Imports: \$3.6 billion

Services trade data do not include Brunei Darussalam and Peru because data for Canada's services trade with these countries are not available for 2018

Destinations for Services Exports

(\$ billions)



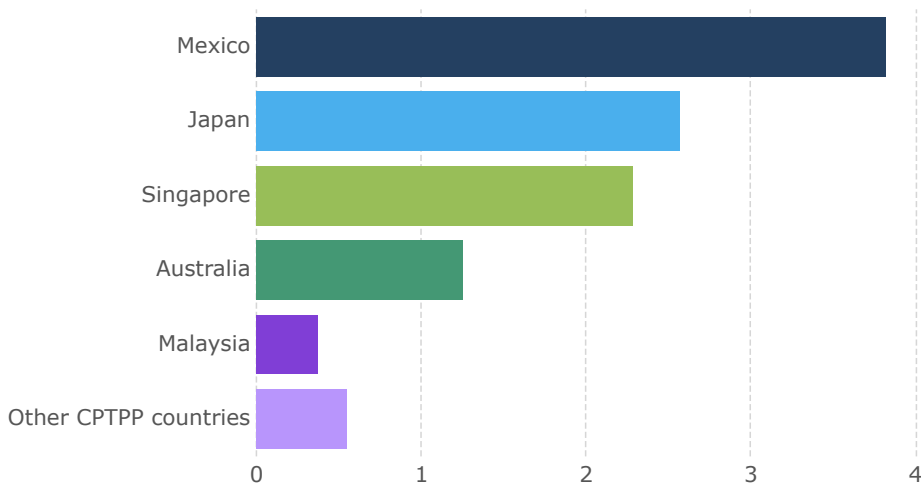
Destinations for services exports to selected other CPTPP countries in 2018:

- Australia – 27.3%
- Japan – 25.0%
- Mexico – 22.3%
- Singapore – 11.4%
- Viet Nam – 4.0%
- Other CPTPP countries – 9.9%

Services trade data do not include Brunei Darussalam and Peru because data for Canada's services trade with these countries are not available for 2018

Sources of Services Imports

(\$ billions)



Sources of services imports from selected other CPTPP countries in 2018:

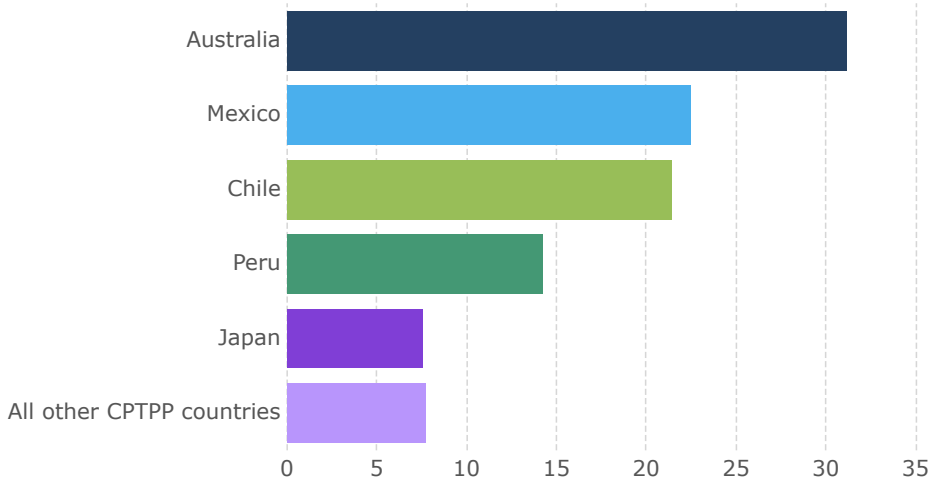
- Mexico – 35.2%
- Japan – 23.7%
- Singapore – 21.1%
- Australia – 11.5%
- Malaysia – 3.5%
- Other CPTPP countries – 5.1%

Services trade data do not include Brunei Darussalam and Peru because data for Canada's services trade with these countries are not available for 2018

CANADA'S FOREIGN DIRECT INVESTMENT WITH OTHER CPTPP COUNTRIES

Destinations for Canadian Direct Investment

(\$ billions)

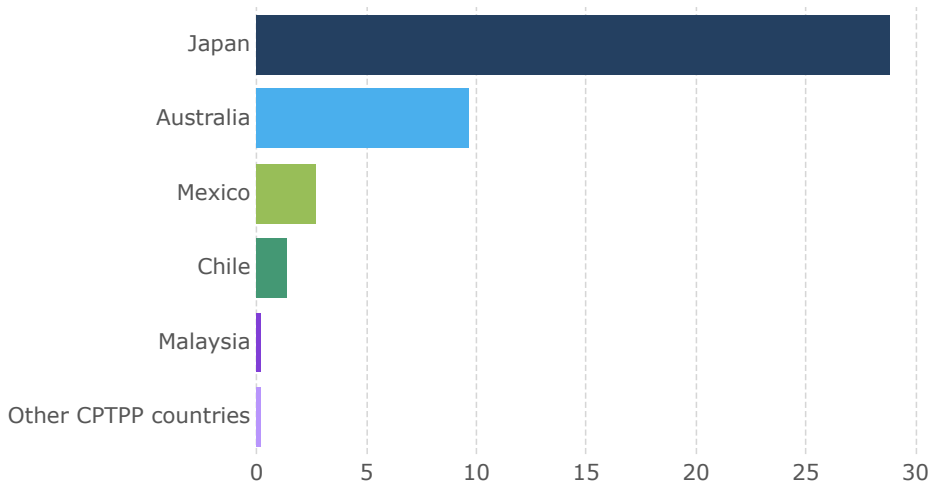


Destinations for Canadian foreign direct investment in the other CPTPP countries in 2018:

- Australia – 29.8%
- Mexico – 21.5%
- Chile – 20.5%
- Peru – 13.6%
- Japan – 7.2%
- All other CPTPP countries – 7.4%

Sources of Foreign Direct Investment in Canada

(\$ billions)



Sources of foreign direct investment in Canada from selected other CPTPP countries in 2018:

- Japan – 66.8%
- Australia – 22.4%
- Mexico – 6.3%
- Chile – 3.3%
- Malaysia – 0.6%
- Other CPTPP countries – 0.6%

Data on foreign direct investment stocks in Canada do not include Brunei Darussalam, Peru and Viet Nam because data for these countries are not available for 2018

PROFILE OF THE CPTPP COUNTRIES

On 8 March 2018, Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore and Viet Nam signed the CPTPP. The agreement entered into force on 30 December 2018 for Australia, Canada, Japan, Mexico, New Zealand and Singapore, followed by Viet Nam on 14 January 2019.

CPTPP Countries				
Country	GDP at PPP (2018, US\$)	GDP per Capita at PPP (2018, US\$)	Population (2018)	Merchandise Exports and Imports as a Percentage of GDP at Official Exchange Rates (2018)
Australia	1.3 trillion	51,500	25.0 million	34.4
Brunei Darussalam	34.7 billion	80,800	429,000	78.6
Canada	1.8 trillion	47,900	37.1 million	53.8
Chile	473.5 billion	25,300	18.7 million	50.2
Japan	5.5 trillion	43,300	126.5 million	29.9
Malaysia	999.4 billion	31,700	31.5 million	131.2
Mexico	2.5 trillion	20,000	126.2 million	75.8
New Zealand	203.7 billion	41,700	4.9 million	40.7
Peru	460.4 billion	14,400	32.0 million	41.5
Singapore	571.5 billion	101,400	5.6 million	215.1
Viet Nam	710.3 billion	7,400	95.5 million	200.0
CPTPP (estimates)	14.5 trillion	28,800	503.5 million	N/A

Notes: GDP at PPP for the CPTPP countries collectively was calculated by summing the values for the 11 CPTPP countries. GDP per capita at PPP was calculated by dividing the estimated GDP at PPP for the CPTPP countries collectively by the estimated population of the CPTPP countries collectively. The estimated population for the CPTPP countries collectively was calculated by summing the population for the 11 CPTPP countries.

Source: World Bank's World Development Indicators database.

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 most 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.

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.