



TRADE AND INVESTMENT

CANADA–UNITED STATES

UNITED STATES' PROFILE

Economic Indicators

- Gross domestic product (GDP) at purchasing power parity (PPP): US\$25.5 trillion (2022)
- GDP per capita at PPP: US\$76,400 (2022)
- Population: 333.3 million (2022)
- International merchandise exports and imports: 21.4% of GDP at official exchange rates (2022)
- Canada's largest merchandise trade partner (2022)
- Canada's largest services trade partner (2021)

Notable Trade and Investment Agreements between Canada and the United States

- *Canada–United States–Mexico Agreement* (2020)



FUNDAMENTALS

The Series

The Library of Parliament's Trade and Investment series:

- provides information on Canada's trade and investment relationship with selected countries and regions; and
- describes the trade relationship of each of Canada's 10 provinces and three territories with the world.

All dollar amounts are in Canadian dollars unless otherwise noted.

Numbers have been rounded.

Definitions appear at the end of the profile.

This Profile

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

The five most highly valued merchandise export and import categories have been identified using values for 2022.

All figures were prepared using Statistics Canada data available in summer 2023.

For the data tables used to generate the figures, see the HTML version of this profile at [Trade and Investment Series 2022](#).

The Sources for the "Economic Indicators" Section

World Bank's World Development Indicators database

- GDP at PPP, GDP per capita at PPP, population, and international merchandise exports and imports as a share of GDP

Statistics Canada

- Merchandise and services trade rankings

Anne-Marie Therrien-Tremblay

Research and Education

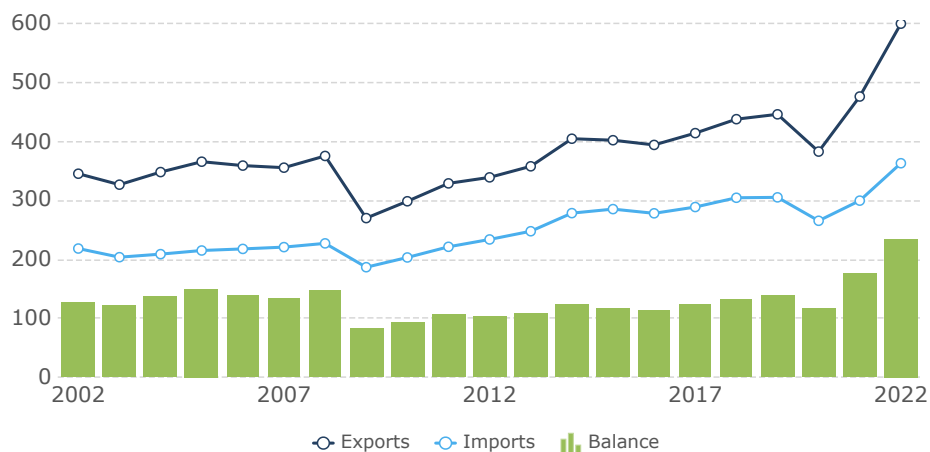
Publication No. 2023-515-E

17 July 2023

CANADA'S MERCHANDISE TRADE WITH THE UNITED STATES

Merchandise Trade

(\$ billions)

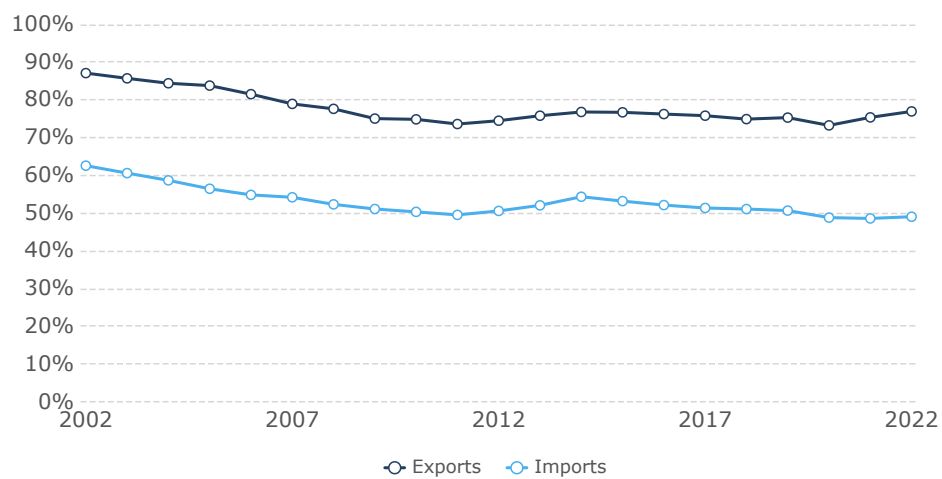


Bilateral merchandise trade in 2022: \$962.9 billion

- Exports: \$599.8 billion, a 25.9% increase from 2021
- Imports: \$363.1 billion, a 21.2% increase from 2021

Trade surplus in 2022: \$236.7 billion, an increase from \$176.5 billion in 2021

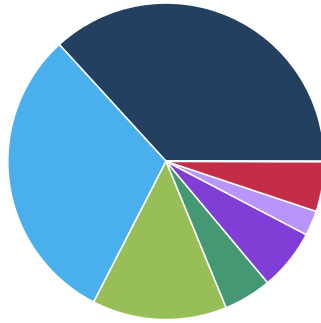
Share of the Total Value of Canadian Trade



Exports in 2022: 77.0% of the total value of Canadian exports, an increase from 75.4% in 2021

Imports in 2022: 49.1% of the total value of Canadian imports, an increase from 48.6% in 2021

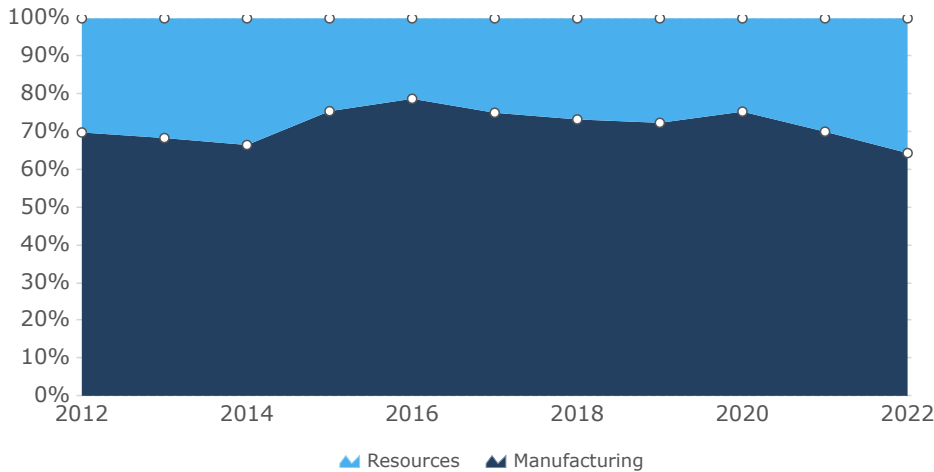
Share of Exports by Province/Territory



Highest-valued exporters in 2022:

- Ontario – \$220.7 billion, an increase from \$194.6 billion in 2021
- Alberta – \$183.8 billion, an increase from \$122.7 billion in 2021

Share of Exports by Sector

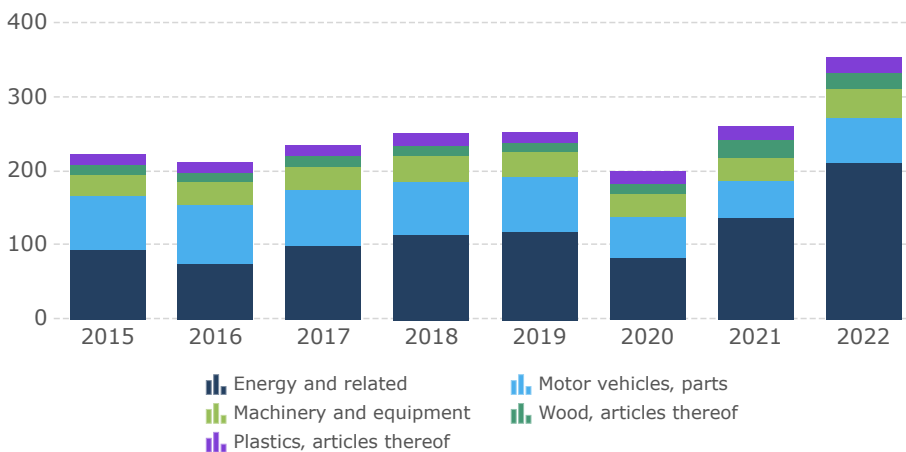


Exports in 2022:

- Resource-based goods – 35.7%, an increase from 30.0% in 2021
- Manufactured goods – 64.3%, a decrease from 70.0% in 2021

Most Highly Valued Exports by Product Category

(\$ billions)

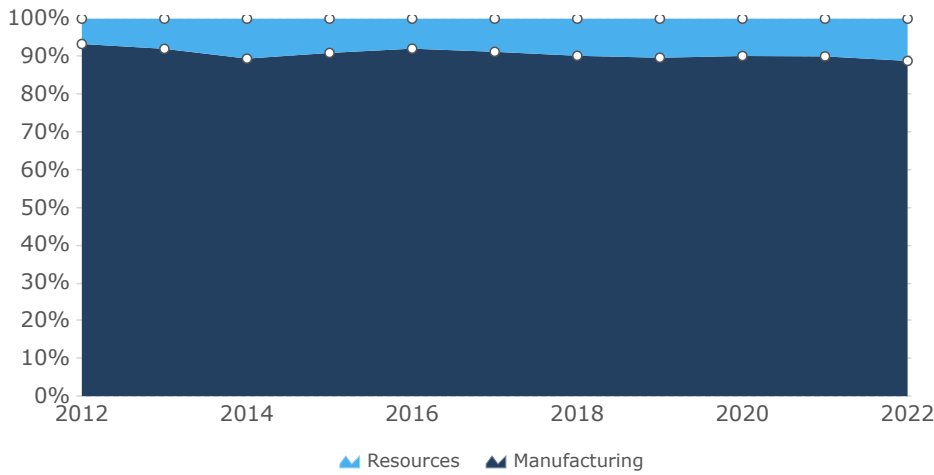


Highest-valued exports in 2022:

Crude oil and motor vehicles, together accounting for 31.3% of the total value of Canadian exports to the United States

- Crude oil: \$152.6 billion, an increase from \$100.0 billion in 2021
- Motor vehicles: \$35.3 billion, an increase from \$33.3 billion in 2021

Share of Imports by Sector

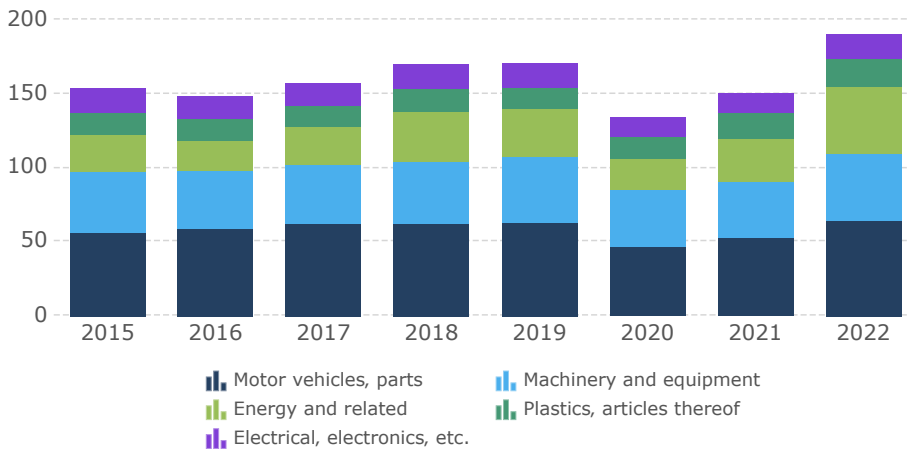


Imports in 2022:

- Resource-based goods – 11.2%, an increase from 10.0% in 2021
- Manufactured goods – 88.8%, a decrease from 90.0% in 2021

Most Highly Valued Imports by Product Category

(\$ billions)



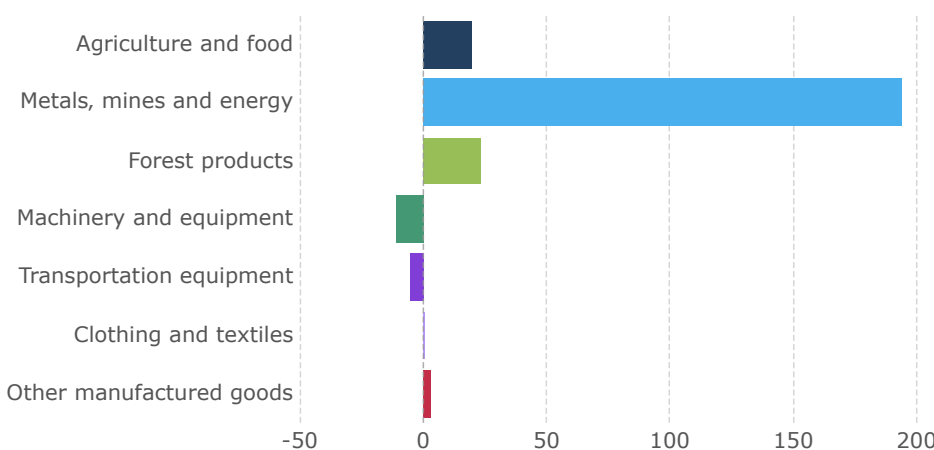
Highest-valued imports in 2022:

Motor vehicles, and refined oil, together accounting for 11.5% of the total value of Canadian imports from the United States

- Motor vehicles: \$21.9 billion, an increase from \$17.9 billion in 2021
- Refined oil: \$20.0 billion, an increase from \$12.7 billion in 2021

Trade Balance by Product Category

(\$ billions)



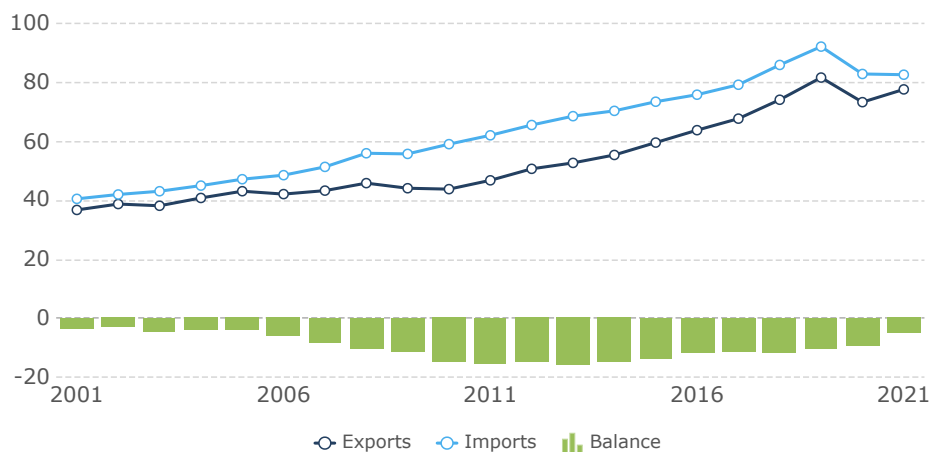
Largest merchandise trade deficit in 2022: Machinery and equipment, at \$11.0 billion

Largest merchandise trade surplus in 2022: Metals, mines and energy, at \$194.4 billion

CANADA'S SERVICES TRADE WITH THE UNITED STATES

Services Trade

(\$ billions)



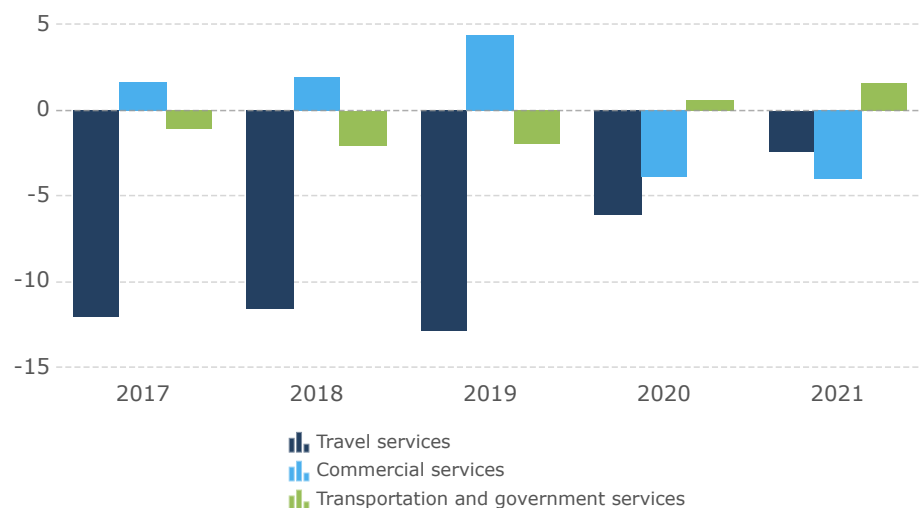
Bilateral services trade in 2021:
\$160.3 billion

- Exports: \$77.7 billion, a 5.9% increase from 2020
- Imports: \$82.7 billion, a 0.3% decrease from 2020

Trade deficit in 2021: \$5.0 billion, a decrease from \$9.6 billion in 2020

Services Trade Balance by Type

(\$ billions)



Services trade deficit in 2021: Largely due to commercial services trade

Travel services

- Exports: \$1.9 billion
- Imports: \$4.4 billion

Commercial services

- Exports: \$67.3 billion
- Imports: \$71.4 billion

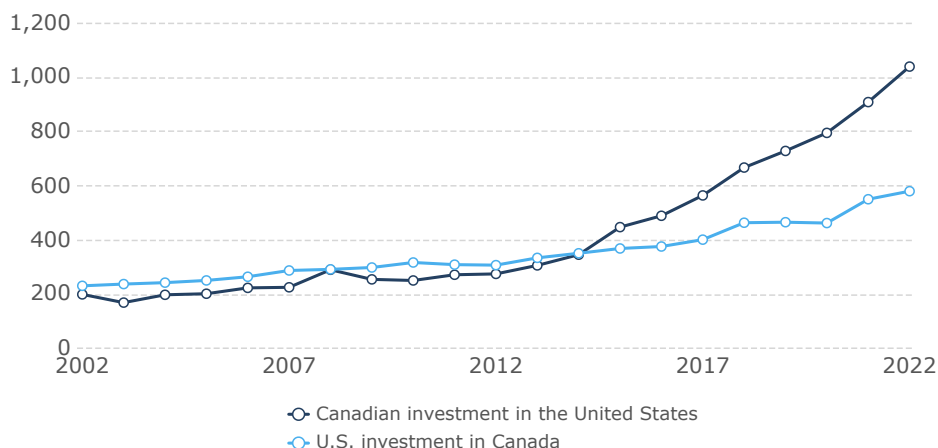
Transportation and government services

- Exports: \$8.5 billion
- Imports: \$6.9 billion

CANADA'S FOREIGN DIRECT INVESTMENT WITH THE UNITED STATES

Stock of Foreign Direct Investment

(\$ billions)



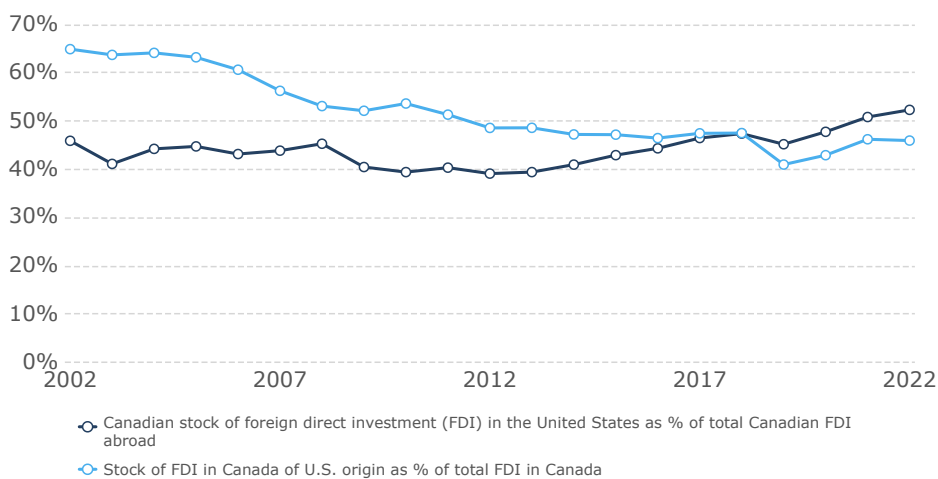
Stock of Canadian direct investment in the United States in 2022: \$1.0 trillion, a 14.4% increase from 2021

United States as a destination for Canadian foreign direct investment among the 145 countries for which data were available for 2022: Largest

Stock of U.S. direct investment in Canada in 2022: \$581.0 billion, a 5.4% increase from 2021

United States as a source of foreign direct investment in Canada among the 95 countries for which data were available for 2022: Largest

Share of Foreign Direct Investment Stock



52.3% of Canada's foreign direct investment stock was in the United States in 2022, an increase from 50.8% in 2021

46.0% of the foreign direct investment stock in Canada was of U.S. origin in 2022, a decrease from 46.2% in 2021

Definitions Used Throughout the Series**Balance of payments–based data**

Data that indicate the value of transactions between a country's residents and non-residents.

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 various factors, including 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.

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-14

Fourteen of 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 and Sweden. The 15th country, the United Kingdom, withdrew from the European Union on 31 January 2020.

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.