Figure 4-14a
Top-10 Merchandise Exports to Mexico, 2006

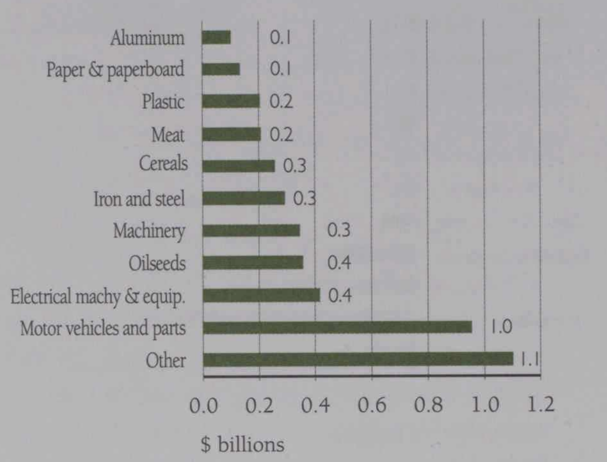
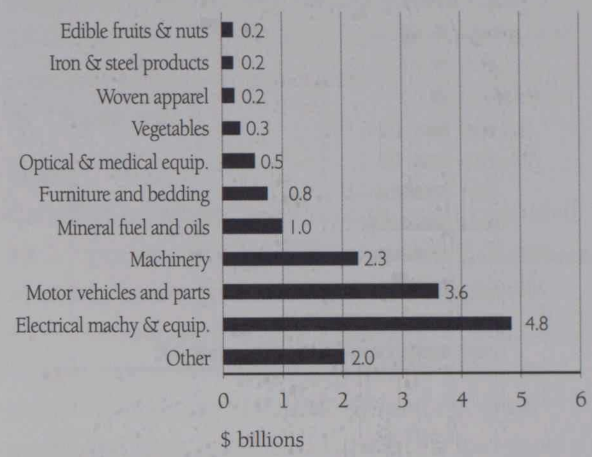


Figure 4-14b
Top-10 Merchandise Imports from Mexico, 2006



Mexico

On an individual country basis, Mexico is the Canada's fifth largest merchandise export market and third largest import market. Merchandise exports to Mexico advanced at a robust 30.3 per cent to $4.4, from $3.4 billion in 2005.[5] The top ten exports to Mexico accounted for about three-quarters of all exports to Mexico, led by motor vehicles (21.8 per cent), electrical machinery (9.5 per cent) and oilseeds (8.2 per cent). Of the top ten exports to Mexico, three categories posted growth rate of over 100.0 per cent in 2006. They were plastic (122.8 per cent), iron and steel products (115.0 per cent) and electrical machinery (106.1 per cent).

Merchandise imports from Mexico grew 9.6 per cent to $16.0 billion in 2006. In general, merchandise imports from Mexico are highly concentrated. The year 2006 was no exception as the top three imports made up 67.1 per cent, whereas the top ten imports captured about 87.2 per cent of all imports. Mineral fuel and oil (25.7 per cent), vegetables (13.5 per cent) and electrical machinery (13.3 per cent) led the growth among major imports from Mexico in 2006.

Provincial trade performance

Four provinces and one territory – Ontario, British Columbia, New Brunswick, Nova Scotia and the Northwest Territories – saw their merchandise exports to the world fall. While Manitoba and Saskatchewan witnessed the highest increase in their merchandise exports, Nova Scotia was hardest hit (-12.2 per cent). The main exports from Manitoba were mineral fuel and oil, nickel products, motor vehicles and cereals while they were mineral fuel and oil, cereals, oilseeds and vegetables for Saskatchewan.

Of the Canadian provinces and territories, Ontario accounted for 45.1 per cent of all Canadian exports to the world in 2006, followed by Alberta at 18.9 per cent, Quebec at 16.6 per cent and the British Columbia at 7.9 per cent.

Imports from the world were also up for all provinces and territories in 2006, with the

5 As in previous years, discrepancies between Canadian and Mexican statistics were significant in 2006. Mexico's imports from Canada exceeded Canada's exports to Mexico by $4.0 billion. Similarly, Canadian imports from Mexico were greater than Mexican exports to Canada by $10.1 billion. Reconciliation studies between Canada and Mexico identified misallocation and export undercoverage as the major causes for discrepancies. Country misallocation is the attribution of trade to a country that is not the final destination of goods, resulting in the situation where the two countries credit trade to different countries. For example, Canada may ship goods through the Unites States to the final destination of Mexico. Undercoverage is a situation in which trade is not reported to the compiling country and is therefore missing entirely from its officially published statistics.