



## TRADE AND ECONOMIC HIGHLIGHTS, 2003

- ▶ **Exports of goods and services** fell for the third straight year, down \$14.8 billion, or 3.1 per cent, to \$457.8 billion.
  - Losses in goods exports were widespread as six of the seven major commodity groupings registered declines, most notably in automotive products, machinery and equipment, and industrial goods and materials. Only energy products posted a gain.
  - Services exports decreased by \$2.0 billion, to \$56.3 billion last year.
- ▶ **Imports of goods and services** also fell in 2003, posting a \$14.0 billion or 3.3 per cent decline to \$409.1 billion. Merchandise imports fell \$15.1 billion while services imports rose by \$1.2 billion. All major commodity groups imports were down from the previous year, with the exception of energy products.
- ▶ Canada's **current account balance** expanded \$2.4 billion to \$25.8 billion as improvements to the deficit on investment income (\$4.0 billion) were only partially offset by falling balances to trade and current transfers (down \$0.8 billion, each).
- ▶ Canadian **gross domestic product** at current prices expanded to just over \$1.2 trillion in 2003, or \$38,401 on a *per capita* basis.
- ▶ Growth in **real GDP**, or gross domestic product adjusted for inflation, decelerated to 1.7 per cent last year, almost half the 3.3 per cent rate recorded in 2002.
- ▶ **Employment** in 2003 grew by 334,200 jobs, just a notch below the 335 thousand jobs created in 2002. Continuing job creation helped bring down the unemployment rate to 7.6 per cent last year, from 7.7 per cent a year earlier.
- ▶ **Inflation**, as measured by the annual change in consumer prices, registered a 2.8 per cent increase last year, compared to 2.2 per cent in 2002. Core inflation, which excludes food and energy, rose by 2.2 per cent last year, from 2.3 per cent the year before.

### Total trade

The year 2003 was a difficult one for Canada as a series of international events, many beyond our control, spilled over into Canada and negatively affected Canadian economic activity and our trade performance for 2003. As a result, real growth in the economy was nearly halved to 1.7 per cent last year. It was, nonetheless, the twelfth year of uninterrupted growth. This subdued performance was also reflected in Canada's international trade statistics where, for example, total trade fell almost \$28.8 billion last year.

- ▶ Canada's exports of goods and services fell 3.1 per cent to \$457.8 billion in 2003 as the pace by which these exports slowed accelerated from the two previous years. With exports of goods and services falling while the economy continued to expand, the share of exports of goods and services in Canada's GDP thus declined, falling 3.2 percentage points from 40.9 per cent in 2002 to 37.7 per cent last year.