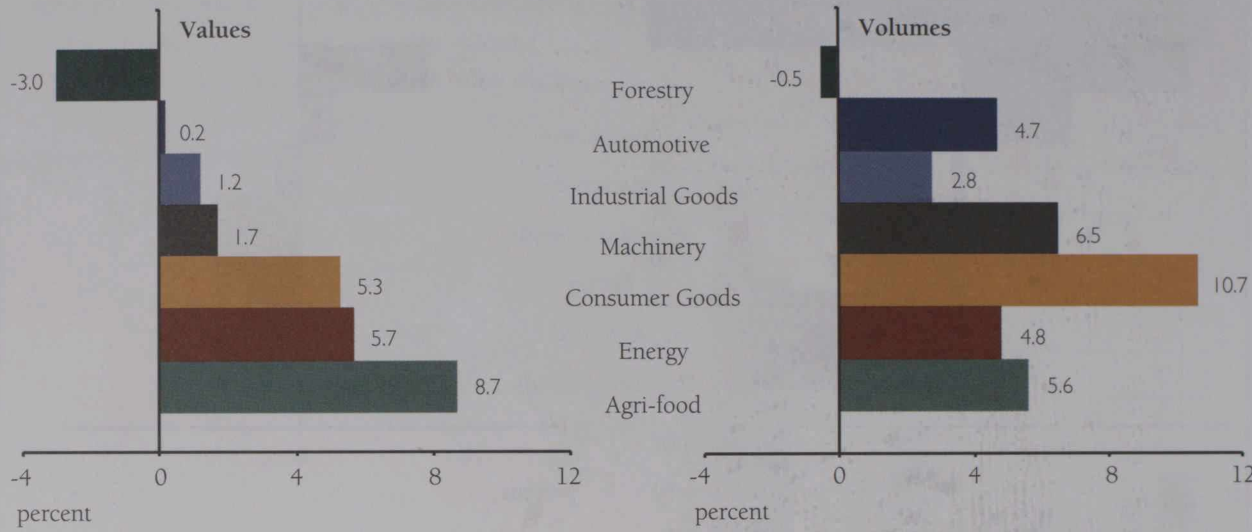
Figure 4-5
Growth in Goods Imports by Major Groups, 2007 (annual percent change)



Source: Statistics Canada

In terms of shares in total goods exports, machinery and equipment (20.5 percent), industrial goods and materials (22.5 percent), energy products (19.7 percent), and automotive products (16.7 percent) together accounted for about 79.3 percent of exports in 2007.

Imports recorded gains across the board with the exception of forestry products, which were down by 3.0 percent in value terms, and virtually flat in volume terms (Figure 4-5). For all categories except energy, falling import prices in Canadian dollar terms meant that volume growth outpaced growth in value. In the cases of automotive, industrial goods, machinery and consumer goods imports, volume growth was at least double the growth in value.

As imports of industrial goods and materials advanced in value only 1.2 percent to $85.0 billion, the industrial goods trade surplus almost doubled from $10.0 billion in 2006 to $19.5 billion in 2007. Imports of consumer goods grew 5.3 percent to $54.8 billion on the back of strong demand for pharmaceutical products, toys, clothing and house furnishings. This category recorded the largest trade deficit of all sectors in 2007, at $35.9 billion.

In terms of shares in total imports, four categories — machinery and equipment (28.1 percent), industrial goods and materials (20.5 percent), automotive products (19.2 percent) and consumer goods (13.2 percent) — accounted for more than 80.9 percent of imports in 2007.

Goods trade surplus

After peaking at $70.7 billion in 2001, Canada's goods surplus has decreased, reaching $49.6 billion in 2007, its lowest value in eight years. Meanwhile, structural changes have taken place in Canada's trading relationship with the world. As of 2007, the goods surplus was being sustained by gains in energy, industrial goods and materials and agri-food products (Figure 4-6), counterbalancing declines for consumer goods, machinery and equipment, automotive products, and forestry products.