



Canada-U.S.

2.1 TOTAL TRADE

Canada and the U.S. enjoy the world's largest bilateral trading relationship. Nearly \$1.9 billion in goods and services cross the border each and every day. Canada-U.S. trade has grown considerably since the Canada-U.S. Free Trade Agreement came into force in 1989. Between 1989 and 2002, Canadian exports to the U.S. grew at an average annual rate of 9.3 percent while imports grew at 7.5 percent. Canada's trade surplus with the U.S. also increased tremendously, from \$4.4 billion in 1989 to a peak of \$90.7 billion in 2001 before falling off somewhat to \$86.4 billion in 2002.

Figure 2.1.1

Canada-U.S. Trade in Goods and Services

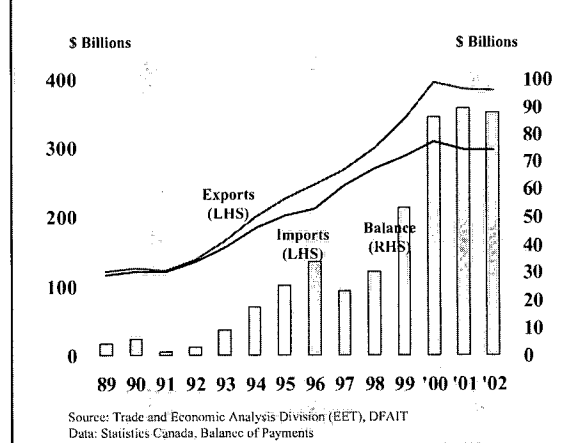


Table 2.1b

Canada's Bilateral Trade with the U.S., 2002

	Per Year	Per Day	Per Hour	Per Minute
	Billion		Million	
Goods and Services	CND\$677.8	CND\$1.9	CND\$77.4	CND\$1.3
	US\$431.5	US\$1.2	US\$49.3	US\$0.8
Goods	CND\$601.9	CND\$1.7	CND\$68.7	CND\$1.1
	US\$383.2	US\$1.1	US\$43.8	US\$0.7

The U.S. share of Canadian exports increased tremendously, gaining 10.3 percentage points between 1989 and 2000, but has remained relatively stable since as U.S. economic growth slowed considerably. The U.S. share of Canadian exports stood at 80.8 percent in 2002. The U.S. share of Canadian imports increased much less dramatically, gaining 6.1 percentage points to peak at 74.7 percent in 1998, but it has dropped steadily since to 69.9 percent in 2002 – only 1.3 percentage points over 1989 levels.