Merchandise Trade by Major Product Groups

This section examines Canada's 2010 trade performance according to the following 12 product groups: energy; vehicles and parts; machinery and mechanical appliances; electrical and electronic machinery; technical and scientific equipment; agricultural and agri food products; minerals and metals; chemicals, plastics and rubber; wood, pulp and paper; textiles, clothing and leather; consumer and miscellaneous manufactured products; and other transportation equipment. The first five of these groups are single chapters under the Harmonized Classification system, while each of the remaining seven groups are comprised of several HS chapters.

Energy Products[5]

Canadian exports of energy products increased 15.6 percent ($12.8 billion) to $94.8 billion in 2010, making energy Canada's largest export product group. As explained in Chapter Four, most of the gains were caused by price increases, while volumes held fairly steady. Notwithstanding the increase, exports remained well below their record-setting 2008 level ($133.3 billion), established when crude oil prices surpassed US$150 per barrel.

Imports of energy products into Canada also rose last year, up 18.0 percent ($6.2 billion) to $40.6 billion. With exports rising more than imports in value terms, the trade surplus for energy products expanded to $54.2 billion.

China is a growing market for Canadian energy exports. Exports were up 45.0 percent ($394 million) in 2010, reaching nearly $1.3 billion—a level five times as great as two years ago. However, the United States was by far the principal destination for Canadian energy exports in 2010, accounting for some 92.6 percent ($87.7 billion) of total Canadian exports of fuels, oils, and other energy products. The United States also supplied $12.3 billion (30.4 percent) of Canada's total energy imports. With exports exceeding imports, Canada posted a bilateral trade surplus with the United States for energy products, amounting to $75.4 billion. This was an overall increase in the trade surplus for energy products of $10.9 billion. Thus, the United States accounted for more than the total of the increase in the energy products trade surplus. Important declines in energy products balances came from trade with Nigeria (down $1.2 billion), the United Kingdom (down $1.1 billion), Iraq (down $633 million), Mexico (down $475 million), and Saudi Arabia (down $440 million) to account for much of the difference between the U.S. balance and the total balance for these products.

Three commodities (crude oil, non-crude oil, and petroleum gases—almost exclusively natural gas) make up about 90 percent of the trade in energy products—a little more for imports and a little less for exports. Crude oil is the largest of the three categories, making up 55 percent of energy exports and almost 59 percent of energy imports. Crude oil exports advanced $9.1 billion in 2010 to reach $51.9 billion, a 21.3 percent increase over 2009 levels. Increased exports to the United States (up $9.1 billion) accounted for the gain, while the largest export declines were registered for India (down $38.4 million), Malaysia (down $38.1 million) and Chile (down $25.1 million).

Crude oil imports grew at a slower pace than exports, rising 12.4 percent to $23.9 billion in 2010. Ten countries posted notable gains amounting to $5.1 billion while another ten posted notable losses totalling $2.5 billion to explain the overall $2.6 billion increase in imports. Nigeria (up $1.2 billion), the United Kingdom (up $0.8 billion),

5 HS Chapter 27.