

## 2.2 Canada-EU Trade in Services

Exports and imports of services are notoriously difficult to measure and coverage of such items, unlike merchandise trade, is usually done at the aggregate level, rather than at a disaggregate level. Despite these statistical problems, services exports and imports have grown rapidly in importance over the last decade, so they should not be ignored.

Table 2.10 shows the Canada-EU service exports, imports and trade balance. The table also shows Canada-EU service exports and imports as a percentage of total Canadian service exports and imports. It should be stressed that figures on services trade are not considered to be as reliable as those for merchandise trade because of recording errors and data collection problems.

**Table 2.10**  
Canada-EU Services Exports and Imports  
(in C\$ millions)

Year	Total EU Service Receipts	Total EU Service Payments	Services Balance with the EU	Total Services Balance
1980	2,050	2,559	(509)	(3,130)
1981	2,114	2,841	(727)	(3,414)
1982	1,956	2,882	(926)	(3,600)
1983	1,684	2,922	(1,238)	(3,846)
1984	1,748	3,243	(1,495)	(4,434)
1985	1,907	3,946	(2,039)	(4,861)
1986	2,483	4,328	(1,845)	(5,195)
1987	2,969	4,694	(1,725)	(6,307)
1988	3,270	5,007	(1,737)	(5,992)
1989	3,504	5,432	(1,928)	(8,237)
1990	3,884	5,841	(1,957)	(11,002)
1991	3,882	5,598	(1,716)	(11,574)
1992	4,131	5,978	(1,847)	(12,267)
1993	4,245	6,501	(2,256)	(12,487)
1994	5,064	7,261	(2,197)	(10,512)
1995	6,148	7,813	(1,665)	(9,357)
1996	6,229	7,642	(1,413)	(9,350)

Source: Statistics Canada CANSIM matrices 2335 and 2336

From the table, it is apparent that while both service exports and imports have been growing over the 16 years under consideration, the balance on Canadian services to the EU was deteriorating up until 1993, and since that time a modest improvement can be noted. Also, Canada runs a services deficit with the EU. In comparison to the overall balance on services, which is also in deficit, there appears to be a very similar pattern in the balance data for the EU.