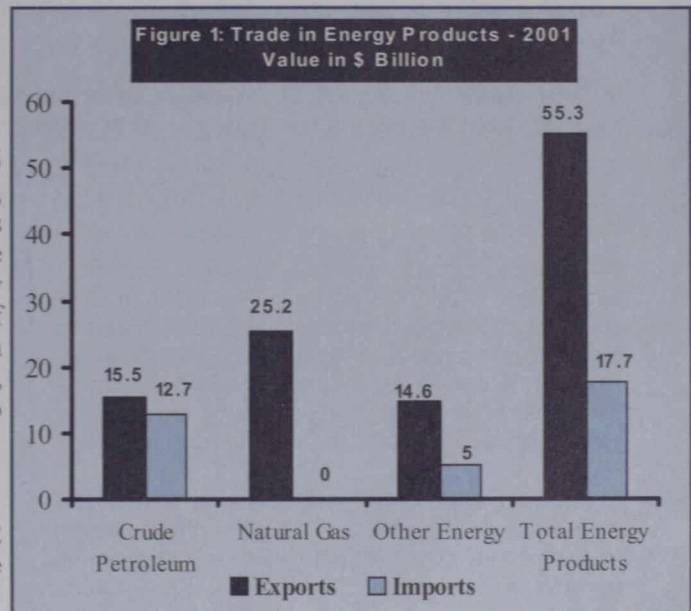


## Resources

- ◆ Since 1994, Canada's exports of resources and related commodities have represented less than half of its annual merchandise trade. Indeed, the portion of Canada's trade in commodities and other resource products has declined sharply in the last decade. Commodity exports, which accounted for almost 61 percent of total merchandise export volume in 1981, fell to 41.4 percent in 2000 before rising to about 42.8 percent in 2001.<sup>6</sup> Factors behind this long-term decline include the greater use of raw materials for processing in Canada to enhance higher value-added exports, as well as the rapid expansion of trade in manufactured and other non-resource products.
- ◆ As in the case of exports, imports of resource products have also declined in importance over time. Imports of resource commodities represented 29.2 percent of the total merchandise import volume in 2000, down from 36.1 percent in 1981. In 2001, this ratio edged up to 30 percent, reflecting the large declines in imports of machinery and equipment and other manufactured products.

## Energy products

- ◆ Higher prices, on an annual average basis, led to a 4.5 percent rise in the value of exports of energy in 2001, even though the volume of exports was down slightly. As imports of energy products fell back by 0.9 percent in the year, Canada's surplus in energy trade rose to a new record high of \$37.6 billion, representing 61.1 percent of Canada's merchandise trade surplus of \$61.5 billion. In response to strong demand from the United States, exports of natural gas shot up by 23.6 percent in 2001, to \$25.2 billion.
- ◆ The energy trade surplus in 2001 was derived 67.1 percent from natural gas, 14.3 percent from coal, 11.2 percent from electricity and 7.4 percent from crude petroleum.



Source: Statistics Canada, *Canadian International Merchandise Trade* no. 65-001-XPB, December 2001

## Agriculture and fishing and forestry products

- ◆ In 2001, exports of agricultural and fishing products rose by 12.6 percent as a result of increases in both price and volume of shipments. Exports of forest products fell by 7.5 percent reflecting, in part, declines in the export of lumber in the face of antidumping and countervailing duties imposed by the United States. Imports of these two categories also behaved similarly, up by 9.7 percent for agricultural and fishing products and down by 5.8 percent for forest products.
- ◆ The combined surplus in trade in these two sectors fell to \$46.2 billion in 2001, from \$47.5 billion in 2000.

## Industrial goods and materials

- ◆ Exports of industrial goods (a category that includes intermediate inputs such as metals, chemicals, plastics and fertilizers) edged up by 0.5 percent in 2001, as the impact of higher demand offset that of lower prices.
- ◆ By contrast, imports of these products declined by 2.9 percent, even though the average price for the basket of imports rose in 2001.
- ◆ This disparate pattern of trade resulted in a sharp reduction in Canada's deficit on trade in industrial products, to \$2.2 billion in 2001, from \$4.6 billion in 2000.

<sup>6</sup> Resources include energy such as crude petroleum, natural gas, electricity, coal and other energy products, agricultural products such as wheat and other farm and fish products, forest products such as lumber, pulp and paper, and industrial materials such as metals, minerals, chemicals and fertilizers. The subaggregates of volume series rebased to 1997 Fisher-chained dollars are close mathematical approximations. For detailed information on chain Fisher aggregations, please visit the Statistics Canada Web site: [www.statcan.ca/english/concepts/snachanges.htm](http://www.statcan.ca/english/concepts/snachanges.htm).