

(9.2 per cent). Inorganic chemicals (85.8 per cent), mineral fuel and oil (56.3 per cent), ores (39.5 per cent) and optical and medical instruments (16.4) displayed the fastest growth, while sectors like wood pulp (-17.2 per cent), aircraft and spacecraft (-10.7 per cent) and nickel (-9.7 per cent) showed the steepest declines in 2005.

Canadian merchandise imports from the EU outpaced exports, rising by 8.5 per cent to \$45.6 billion in 2005, from \$42 billion in 2004. Mechanical machinery and equipment, mineral fuel and oil, and pharmaceutical products accounted for more than 50 per cent of imports from the EU. Increases in mineral fuel and oil as well as in iron and steel accelerated with annual percentage changes equal to 46.0 and 14.4 per cent, respectively. Aircraft and spacecraft imports experienced the steepest decline during 2005 (-29.3 per cent).

Figure 4-10a
Top-10 Merchandise Exports to the EU, 2005

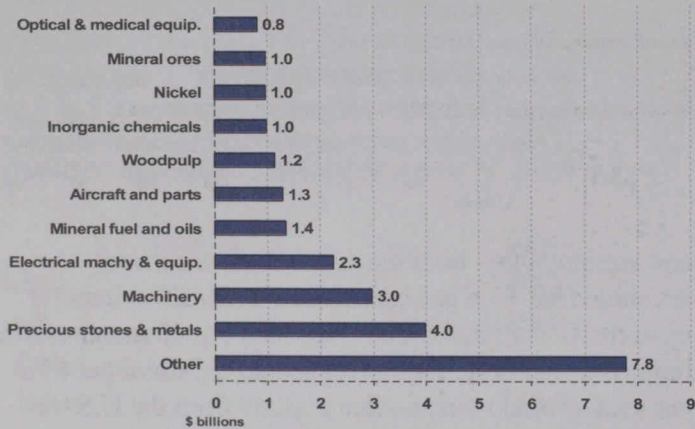
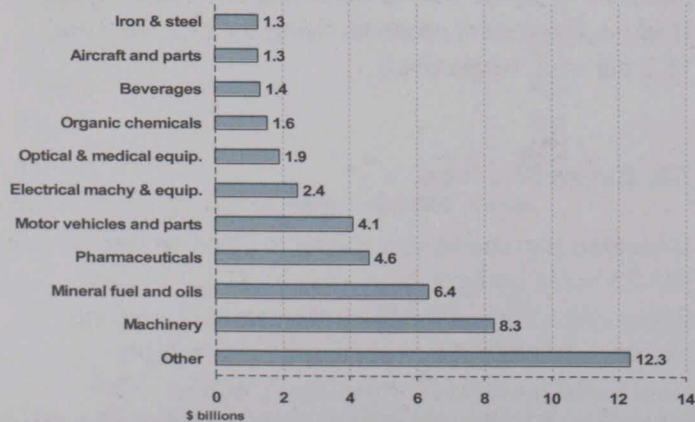


Figure 4-10b
Top-10 Merchandise Imports from the EU, 2005



Japan

During 2005, Canadian merchandise exports to Japan increased 6.6 per cent to \$9.1 billion. The ten most important products exported to Japan accounted for slightly more than three-quarters of total merchandise exports to that country. Five products alone – wood, meat, grain seeds, mineral fuel and oil, and ores – accounted for about 55 per cent of all exports.

Merchandise imports from Japan climbed by 9.4 per cent to \$14.8 billion in 2005, up from \$13.5 billion the year before. Imports from Japan were highly concentrated in only a few sectors, with the top 10 accounting for over 92 per cent of total merchandise imports from Japan. The largest sectors included motor vehicles (38.9 per cent), machinery and equipment (21.0 per cent), and electrical machinery (15.7 per cent). Toys and sports equipment (118.7 per cent), aircraft and spacecraft (35.7 per cent) as well as iron and steel products (26.5 per cent) experienced the fastest increases in 2005.

Figure 4-11a
Top-10 Merchandise Exports to Japan, 2005

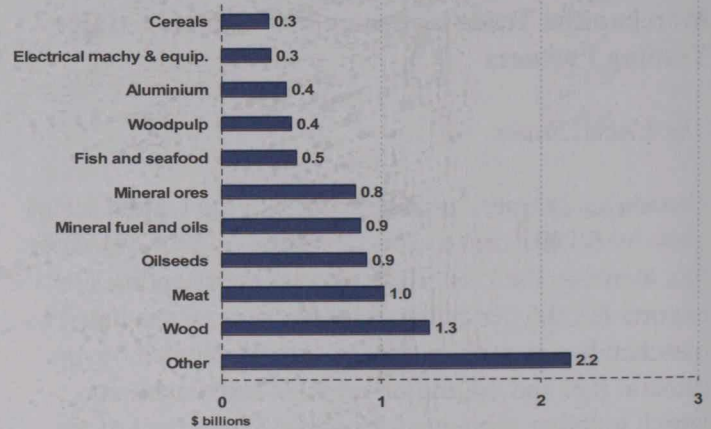


Figure 4-11b
Top-10 Merchandise Imports from Japan, 2005

