



## 8 Opening Doors in Other Key Markets

### AUSTRALIA

In 2005, two-way merchandise trade between Canada and Australia was worth approximately \$3.4 billion. During the year, Canada exported over \$1.6 billion worth of merchandise to Australia, while importing goods valued at over \$1.7 billion. Canada's main exports continue to be car engines, pork, aircraft, lumber, telecommunications components and wood pulp. In 2003 (the most recent year for which statistics are available), Canada exported \$860 million in services to Australia, and total bilateral services trade equalled \$1.3 billion.

Canada is the 11th largest investor in Australia, with \$8.8 billion invested at the end of 2004. Australia is Canada's 14th largest investor, at \$1.8 billion, making it the third largest investor from Asia.

Commercial relations with Australia are long-standing and cordial. Most trade between the two countries takes place at most-favoured-nation rates, although a substantial amount benefits from duty-free rates. Some important non-tariff measures have an impact on market access for Canadian goods and services. These measures include product standards, government procurement practices and trade remedy laws.

The Government of Canada will continue to make representations for improved access for pork and beef products. Canada has also requested market access for Canadian blueberries and will monitor progress on this front.

### NEW ZEALAND

In 2005, Canada's exports to New Zealand amounted to \$356 million, while imports were valued at \$562 million. Canada's main exports to New Zealand include vehicles, machinery, fertilizers, wood and meat, and Canada is New Zealand's largest foreign supplier of these products. Canada's leading imports from New

Zealand are meat, dairy products and machinery. In 2003 (the most recent year for which statistics are available), Canada exported \$95 million in services to New Zealand. Total Canadian direct investment in New Zealand stood at \$111 million in 2004.

Canada and New Zealand enjoy a close and relatively irritant-free bilateral relationship. They cooperate within the WTO, APEC, the ASEAN regional forum, the Commonwealth and the United Nations. They have consulted closely in multilateral trade negotiations and are both members of the Cairns Group on agriculture trade.

### RUSSIA

Since 1999, Russia has enjoyed strong growth rates with an average real GDP growth of just under 6.8% per annum. Recently, this economic performance has benefited from higher-than-expected world prices for oil, gas and other major Russian export commodities. These increases have stimulated domestic demand, prompting market expansion in investment and imports.

Canada's exports to Russia surged in 2005 to \$562 million, up 35% over 2004. Sales of boring and sinking equipment (oil and mining sector), wheeled tractors (forest industry), prefabricated buildings and various cuts of pork all enjoyed strong growth. In services, Canadian providers focused on various commercial services, including engineering and architecture. The total value of services exported to Russia was \$251 million in 2003.