The rest of the world

Merchandise exports to the rest of the world fell $1.0 billion to $24.5 billion in 2002 while imports climbed $4.3 billion to $75.9 billion. As a result, Canada's merchandise trade deficit with the rest of the world widened by $5.3 billion to $51.4 billion. The ratio of imports to exports with the region also surpassed a 3:1 rate for the first time ever.

Exports of agricultural and fishing products were responsible for more than all of the decline as they fell $1.4 billion, led by declines in cereal exports (down $822 million), oilseeds (down $432 million), and vegetables, roots, and tubers (down $413 million). Most other sectors registered small export gains to the rest of the world last year — except for forestry products which also fell $36 million — and machinery and equipment, which recorded a moderately strong advance of $277 million.

Imports from the rest of the world registered advances across the board led by consumer goods ($1.6 billion), industrial goods ($1.0 billion), and machinery and equipment ($857 million). The smallest increase was recorded in agricultural and fishing products, at $369 million.

[1] The 87.4 per cent U.S. share in total exports is calculated on a *Customs* data basis — in contrast to the 84.8 per cent share reported earlier, which is calculated on a *Balance of Payments* data basis.

[2] Data on Canada's exports to the United States, which are compiled from U.S. import data sources, are overstated as they include some shipments to third countries via the United States often referred to as trans-shipments. As a result, Canada's exports to the rest of the world are correspondingly understated.