

- ▶ Imports of goods and services into Canada were also lower in 2003 than they were in 2002, posting a 3.3 per cent decline. Accordingly, the share of imports of goods and services in Canadian GDP also fell last year, down almost 3 full percentage points, from 36.6 per cent to 33.7 per cent.
- ▶ Canada's current account balance nevertheless expanded by \$2.4 billion last year, from \$23.4 billion to \$25.8 billion. Although the goods and services trade surplus shrank by \$0.8 billion as did the current transfers surplus, a \$4.0 billion narrowing of the investment income deficit was more than enough to offset the declines.

Trade by regions

- ▶ A disproportionate share of the decline in Canada's total trade in 2003 came because of declines in Canada-U.S. trade. Exports of goods and services fell \$17.3 billion (or 4.5 per cent) to \$364.8 billion while imports were off by \$15.9 billion, or 5.4 per cent. The U.S. was the destination of 79.7 per cent of total Canadian exports, compared with 80.8 per cent a year earlier. Likewise, the U.S. was the source of 68.4 per cent of total Canadian imports, down from 69.9 per cent the year before.
 - Goods exports to the United States fell 4.5 per cent (down \$15.6 billion) to \$331.4 billion while exports of services declined \$1.8 billion (or 5.0 per cent) to \$33.4 billion.
 - Goods imports from the U.S. fell 6.2 per cent (or \$15.7 billion) while services imports declined 0.4 per cent (or \$0.1 billion).
- ▶ Exports of goods and services to the EU advanced 5.1 per cent to \$33.6 billion last year as goods exports were up \$1.4 billion (6.2 per cent) and services exports advanced \$0.2 billion (2.4 per cent). At the same time, imports of goods and services from the EU were down by \$0.8 billion (or 1.7 per cent) as a \$1.3 billion (or 3.5 per cent) decline in merchandise imports more than offset a \$0.5 billion (or 4.6 per cent) advance in services imports.
- ▶ Total exports to Japan fell 6.2 per cent (almost \$750 million) to \$11.3 billion in 2003. At the same time, imports of goods and services from Japan plunged 10.1 per cent (or \$1.4 billion) to \$12.6 billion.
 - Exports of goods fell 3.8 per cent (or \$0.4 billion) while exports of services plummeted 20.2 per cent (or \$0.4 billion).
 - Imports of goods from Japan were down 9.1 per cent (or \$1.1 billion), while imports of services declined by 15.0 per cent (or \$0.3 billion).

Trade by commodities

Exports

- ▶ Exports of automotive products fell the most in 2003, down \$9.1 billion, or 9.4 per cent, to \$87.9 billion. Car exports were down \$6.3 billion, truck exports were off by \$1.7 billion, and parts exports suffered a \$1.2 billion decline. Automotive products accounted for 21.9 per cent of total merchandise exports last year, down from 23.4 per cent a year earlier.