

For inorganic chemicals, aluminum oxides, radioactive isotopes, and miscellaneous metal oxides accounted for about two thirds of the increase in imports last year.

The \$2.7-billion increase in exports was greater than the \$1.8-billion increase in imports in 2010, resulting in a \$0.9-billion narrowing of Canada's trade deficit in chemicals, plastic, and rubber, to \$13.7 billion last year.

*Wood, Pulp, and Paper*¹³

As mentioned in the previous chapter, exports of forestry products halted a five-year overall slide in exports. In 2010, exports of wood, pulp and paper increased by \$2.4 billion to \$27.2 billion over 2009, with gains in pulp (up \$2.0 billion) and wood (up \$1.3 billion) outweighing a \$0.9 billion decline in paper and paper products.

Roughly half of the advance came from greater exports to China. Japan and India were next, with each accounting for a little over 10 percent of the gain, followed by Korea and the United States, at a little over 5 percent of the advance for each country.

Pulp exports were up, led by chemical wood pulp (up \$1.3 billion) and wood pulp from mechanical or chemical pulp processes (up \$423 million). Together, these two products accounted for over 85 percent of the overall increase in pulp exports.

For wood exports, lumber accounted for the bulk of the increase (up \$1.1 billion), with particle board and logs making up most of the remainder of the gains. In the case of lumber, the United States, China and Japan together made up about 90 percent of the overall increase, accounting for 46 percent, 33 percent, and 13 percent of the gains, respectively.

Broad declines were registered for exports of various paper and paperboard products in 2010. Overall, outward shipments fell by \$910 million, as exports of uncoated paper fell by \$683 million, or 75 percent of the overall decline. Fewer exports of uncoated paper to the United States accounted for virtually all of the decline.

Imports of wood, pulp, and paper rose by \$138 million in 2010. Wood led the advance, as imports were up by \$245 million. Pulp was the only other category to post an increase, with imports ahead by \$32 million. Fewer imports were reported for paper and paperboard (down \$71 million), books and newsprint (down \$57 million), manufactures of straw (down \$9 million), and cork (down \$3 million).

With exports up by \$2.4 billion and imports advancing by only \$138 million, the trade surplus in wood, pulp and paper widened by \$2.2 billion to \$14.3 billion in 2010.

*Textiles, Clothing, and Leather*¹⁴

Canadian exports of textiles, clothing and leather (TCL) reversed a seven-year slide in exports with a \$347-million increase in 2010, as total TCL exports reached \$4.4 billion. Increases were registered in 12 of the 19 major categories that comprise this group. Exports to the United States advanced \$119 million, while those to Hong Kong and China were up by \$80 million and \$33 million, respectively, to account for roughly two thirds of the overall gains.

Gains in exports were led by furskins and artificial fur (up \$120 million) and raw hides and skins (other than furskins) (up \$95 million), followed by impregnated textiles (up \$45 million) and man-made filaments, yarns, and fabrics (up \$44 million), to make up the bulk of the advances.

¹³ HS Chapters 44 through 49.

¹⁴ HS Chapters 41 through 43, and 50 through 65.