

The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) Mini-Trade Reports

By APF Canada's Trade &
Investment Team



ASIA PACIFIC ECONOMIES SERIES

CONTENTS

03

AUSTRALIA ▶

14

JAPAN ▶

25

MALAYSIA ▶

39

NEW ZEALAND ▶

50

SINGAPORE ▶

60

VIETNAM ▶

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AUSTRALIA

ABOUT

APF Canada's CPTPP Mini-Trade Report: **AUSTRALIA**

- Building on our recent report, [The Impact of the CPTPP on Trade between Canada and the Asia Pacific](#), this mini-report focuses on Australia – one of the seven 'AP7' economies (signatories to the CPTPP) in the Asia Pacific.
- This report explores the CPTPP's benefits for Canada's merchandise and service trade relations with Australia at the national and sub-national level in the five years post-CPTPP ratification (from 2019 to 2023), with 2018 data for context.
- The report also identifies future trade opportunities for Canadian firms interested in expanding their presence in Australia.
- Canada and Australia ratified the CPTPP agreement in December 2018.
- APF Canada will release CPTPP Mini-Trade Reports for four more AP7 economies – Japan, Malaysia, New Zealand, and Vietnam (except Brunei, for which there is limited data) – in the first quarter of 2025.



KEY TAKEAWAYS

- Canada-Australia **merchandise trade** has increased by about 9% since the ratification of the CPTPP (up to 2023), with exports and imports growing at a relatively similar pace.
- Canada-Australia **service trade** has remained relatively consistent since the ratification of the CPTPP and was led by Canadian exports to Australia.
- **Ontario, British Columbia, and Quebec** were the main beneficiaries of the two-way merchandise trade between Canada and Australia
- Future trade opportunities include **infrastructure, critical minerals, agri-food, and education.**

Key Statistics, 2023

GDP (PURCHASING POWER PARITY):

C\$2.48T

POPULATION:

26.6M

TOP FIVE TRADE PARTNERS:



China (Mainland)



Japan



United States



South Korea



India

MERCHANDISE TRADE

Australia is Canada's **third-largest merchandise trade partner** among the AP7. Since CPTPP ratification, two-way merchandise trade has seen a year-on-year average growth of around 9%, with trade increasing from around C\$4.2B in 2018 to over C\$6.4B in 2023 – amounting to C\$25B in the five years since the signing of the agreement (Figure 1).

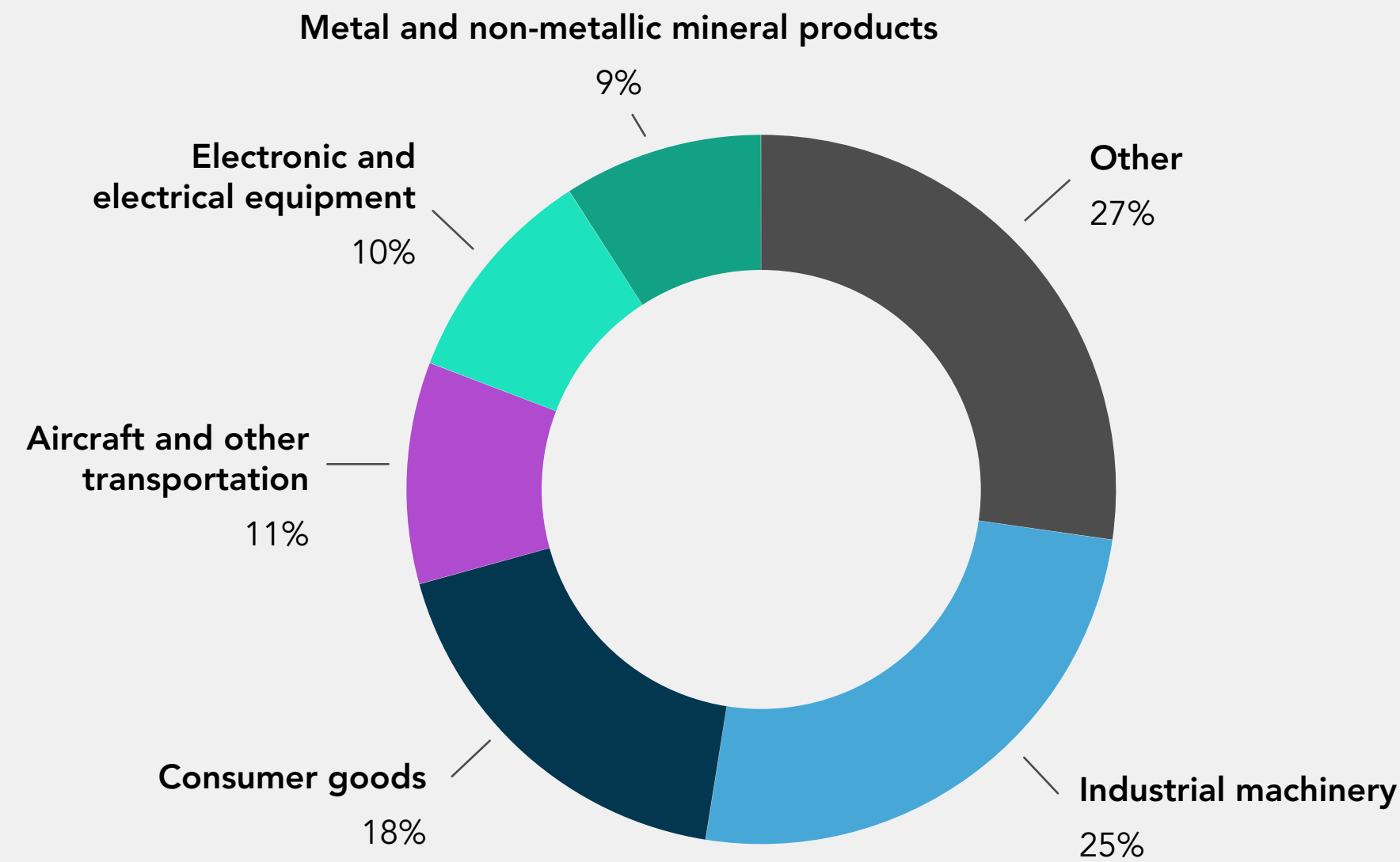
Canada's merchandise exports to and imports from Australia expanded at a relatively similar rate since CPTPP ratification until 2022. In 2022, there was a jump in Canada's exports to Australia, with exports levelling in 2023. Canada's imports from Australia picked up in 2022 and exceeded Canada's exports in 2023 (Figure 1).

Figure 1: Canada-Australia Two-Way Merchandise Trade, 2015-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

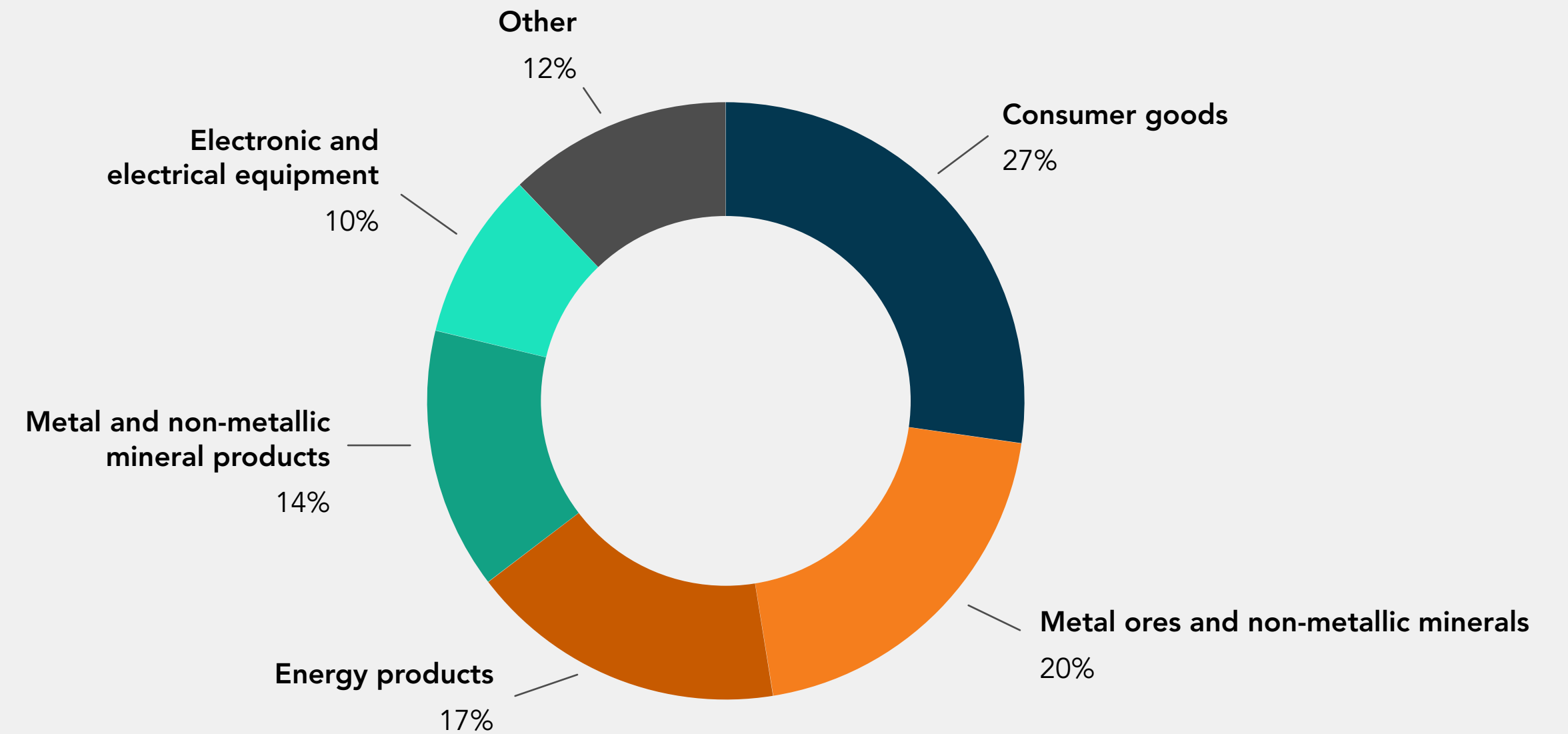
Figure 2: Canada's Top Exports to Australia, 2019-23



Over the last five years, **Canadian exports** of *industrial machinery* accounted for one quarter (or C\$3.2B) of Canada's total exports to Australia, with these exports growing on a yearly basis (Figure 2). *Consumer goods* were Canada's second-largest export category to Australia, accounting for around

18% (or C\$2.4B) of Canada's total exports over the last five years. In 2022, Australia more than doubled its imports of Canadian consumer goods – due to growing inflationary pressures leading to a rise in global prices for goods – with imports declining in 2023 as the global economy rebalanced.

Figure 3: Canada's Top Imports from Australia, 2019-23



Consumer goods accounted for over one quarter of Canadian **imports from Australia**, with Canada importing around C\$3.5B in consumer goods from Australia in the last five years (Figure 3). *Metal ores and non-metallic minerals* were the second-largest import category, accounting for C\$2.6B in

Canada's imports from Australia. While Canada's imports of metal ores increased in 2023, consumer goods imports have declined to pre-2022 levels, reflecting a decrease in inflationary pressures on prices of goods.

SERVICES TRADE

Australia ranked as Canada’s **third-largest two-way services trade** (trade in *commercial, travel, and transportation and government services*) partner among the AP7. Despite the decline in bilateral services trade during the pandemic, Canada’s services trade with Australia rebounded to pre-pandemic levels, reaching over C\$4B in 2023.

Services trade is driven by Canadian exports to Australia, which accounted for 62% of two-way trade, and primarily consisted of commercial services exports (Figure 4) since ratification of the CPTPP. Canadian services exports to Australia recovered to pre-pandemic levels in 2023, in contrast to Canada’s imports of services. Those remain below pre-pandemic import levels, likely a result of a slower post-pandemic rebound for *commercial and transportation and government services* and an uptick in services imports from the U.S.

Figure 4: Canada-Australia Two-Way Services Trade, 2015-23



Source: Statistics Canada, Table 36-10-0007-01

Canada’s growing service exports to Australia were led by *commercial services*. *Commercial services* accounted for over half of Canadian exports to and imports from Australia (Table 1). *Travel services*, the second largest services imports from and exports to Australia, declined during the pandemic and only rebounded to pre-pandemic levels in 2023, as global travel was restored.

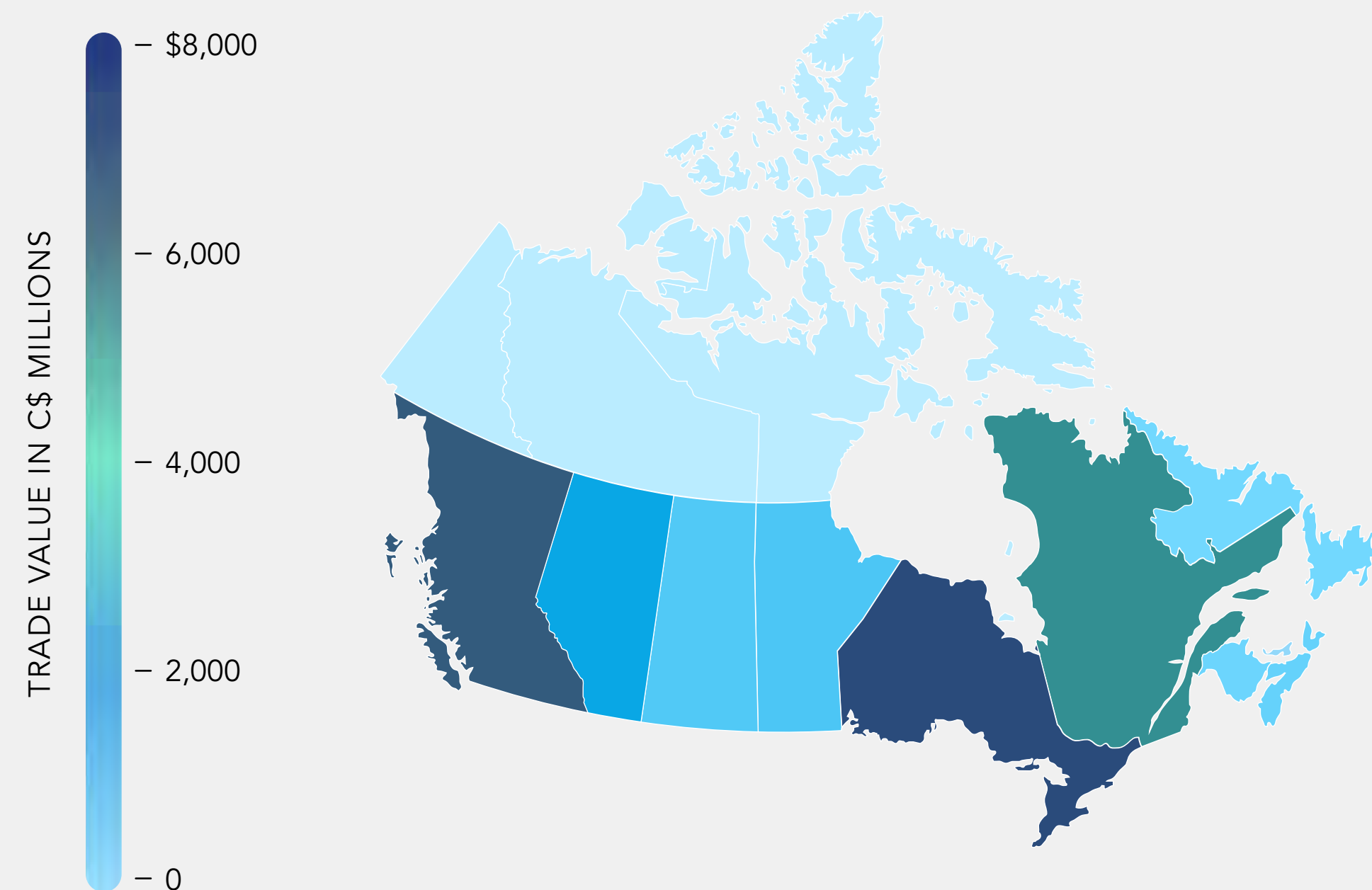
TABLE 1		
Services	Percentage of Total Service Exports to Australia, 2019-23	Percentage of Total Service Imports From Australia, 2019-23
Commercial	61%	60%
Travel	25%	27%
Transportation and government services	14%	13%

Source: Statistics Canada, Table 36-10-0007-01

PROVINCES BENEFITING FROM CANADA-AUSTRALIA TRADE

Ontario, British Columbia, and Quebec were the main beneficiaries of two-way merchandise trade between Canada and Australia (Figure 5), with each of these province's trade with Australia reaching over C\$1.7B in 2023. **Alberta** and **Manitoba** also ranked among the top five Australian provincial trade partners.

Figure 5: Canadian Provinces Two-Way Merchandise Trade with Australia, 2019-23



Source: Statistics Canada: Table: 12-10-0173-01

AUSTRALIA'S TOP FIVE PROVINCIAL PARTNERS:

Ontario

C\$7,287M

British Columbia

C\$6,859M

Quebec

C\$5,622M

Alberta

C\$2,041M

Manitoba

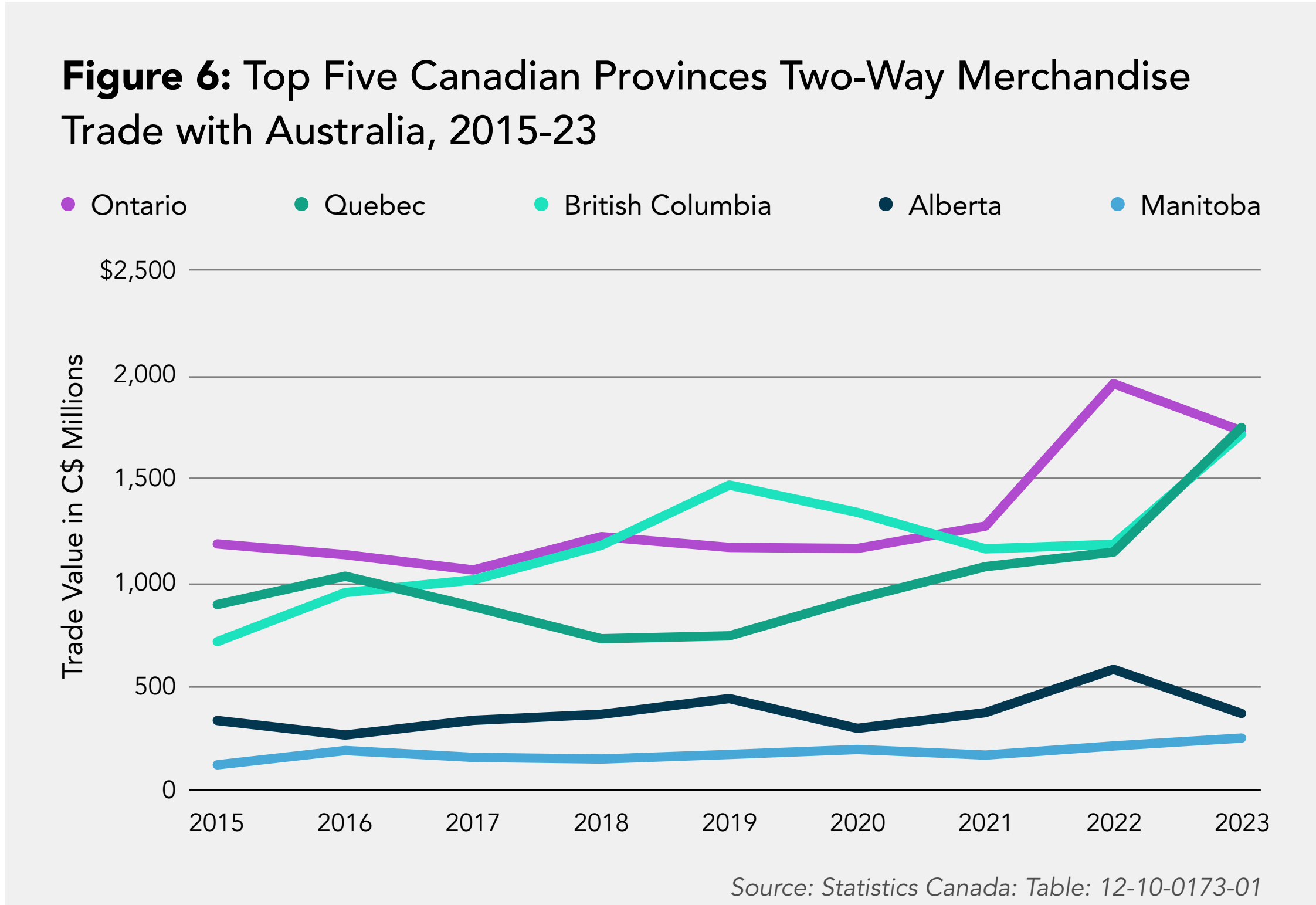
C\$976M

Ontario's trade with Australia has been generally growing since CPTPP ratification (except for 2023, when Ontario's exports to Australia declined following a surge in exports of consumer goods in 2022 driven by growing post-pandemic demand and global inflationary pressures) (Figure 6), with exports accounting for over half (or over C\$3.5B) of two-way trade. *Consumer goods* have been at the heart of Ontario's trade with Australia, accounting for over one-third of its exports to Australia, and for over half of its imports from Australia. The 2023 decline in trade is driven by a decrease in *consumer goods* trade between the two economies.

British Columbia and **Quebec** have been important destinations for Australian products – with merchandise imports accounting for over half of their two-way trade with Australia. *Energy products* accounted for over one-third of

British Columbia's total imports from Australia. *Metal ores and non-metallic minerals* dominated Quebec's imports from Australia, accounting for over one-third of the province's imports from Australia since CPTPP ratification.

Alberta and **Manitoba** have exported more to Australia than they imported from the country over the last five years. Alberta's exports accounted for around 66% of Alberta-Australia trade, led by *metal ores and non-metallic minerals*. Manitoba's exports accounted for around 84% of Manitoba-Australia trade, led by *industrial machinery*. While Manitoba has experienced slow and steady growth in trade with Australia, Alberta's trade with Australia declined, driven by a drop in exports and imports of *metal ores and metal and non-metallic minerals and products*. The decline in these export volumes could be linked to the fall in the [prices for commodities as markets rebalanced](#) after the shock of the Russia-Ukraine war.



TRADE OPPORTUNITIES



Overall, the CPTPP has been beneficial for Canada-Australia services and merchandise trade. The growth in two-way trade is supported by institutional and cultural similarities and the elimination or reduction of [tariffs on multiple products that were at 5% or higher](#) before ratification of

the CPTPP. Tariffs were eliminated on [99% of tariff lines](#), leading to an elimination of tariffs on a [long list of products](#), including chocolate, medical equipment, and iron and steel products.

The global pandemic disrupted trade flows in both merchandise and

services, which were impacted by related inflationary pressures. This led to a rapid expansion of post-pandemic merchandise trade in 2022 that normalized in 2023, with merchandise trade levels between Canada and Australia now higher than before the CPTPP's ratification. Canada's service exports also

rebounded to pre-pandemic levels in 2023. However, Australia's exports of services remain below pre-pandemic levels as *commercial services*, and *transportation and government services* have not rebounded back to pre-pandemic levels (as of 2023).

Several Canadian companies expanded their trade footprint in Australia, benefiting directly from the reductions/eliminations in tariffs brought about by the CPTPP. For example, [Dr. Oetker](#), and [Motion Metrics International](#) have benefited from the CPTPP, as the agreement allowed them to become more competitive and enhanced their market access.

There are significant export opportunities for Canadian firms in Australia across a variety of sectors. According to the International Trade Center's [Export Potential Map](#), there is substantial export potential for Canadian exports of motor vehicles, potassium chloride (a naturally occurring salt used for medical purposes) and coniferous wood. [Export Development Canada](#) identifies infrastructure, power and renewables, critical minerals, and agri-food as sectors that present significant opportunities for Canadian export businesses. The [Government of Canada](#) has a more detailed list, which includes aerospace, security, education, and information and communication technology.



By Xueming Wang,
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JAPAN

A stylized world map composed of dots, with a circular highlight over Japan.

ABOUT

APF Canada's CPTPP Mini-Trade Report: JAPAN

- Building on our recent report, [The Impact of the CPTPP on Trade between Canada and the Asia Pacific](#), this mini-report focuses on Japan – one of the six 'AP7' economies (signatories to the CPTPP) in the Asia Pacific.
- This report explores the CPTPP's benefits for Canada's merchandise and services trade relations with Japan in the five years post-CPTPP ratification (from 2019 to 2023), with 2018 data for context.
- The report also identifies future trade opportunities for Canadian firms interested in expanding their presence in Japan.
- Canada and Japan ratified the CPTPP agreement in December 2018.
- This is one of six reports being released by APF Canada in the first quarter of 2025 – the other reports focus on the AP7 economies of [Singapore](#), [Australia](#), New Zealand, Malaysia, and Vietnam (Brunei is excluded due to limited data).



KEY TAKEAWAYS

- Japan-Canada **merchandise trade** increased by 22%, rising from around C\$29.6B in 2018 to over C\$36.2B in 2023. Aside from 2022, Canada-Japan merchandise trade was characterized by a Canadian trade deficit, with imports exceeding exports.
- In the five years since CPTPP ratification, Canada-Japan **two-way services trade** reached C\$23.1B, with imports accounting for more than half of the total services trade.
- **Ontario** was the main beneficiary of Canada-Japan two-way merchandise trade, followed by **British Columbia** and **Alberta** as the second and third largest beneficiaries. In 2023, Ontario alone accounted for 45% of the total two-way merchandise trade between the two countries.
- Significant untapped trade **opportunities** exist in Japan for Canadian exporters in key sectors such as **advanced metals (excluding ferrous and precious metals), motor vehicles and parts, wood**, and more.

Key Statistics, 2023

GDP (PURCHASING POWER PARITY):

C\$8,383.71B

POPULATION:

124.5M

TOP FIVE TRADE PARTNERS:



China



United States



Australia



Taiwan



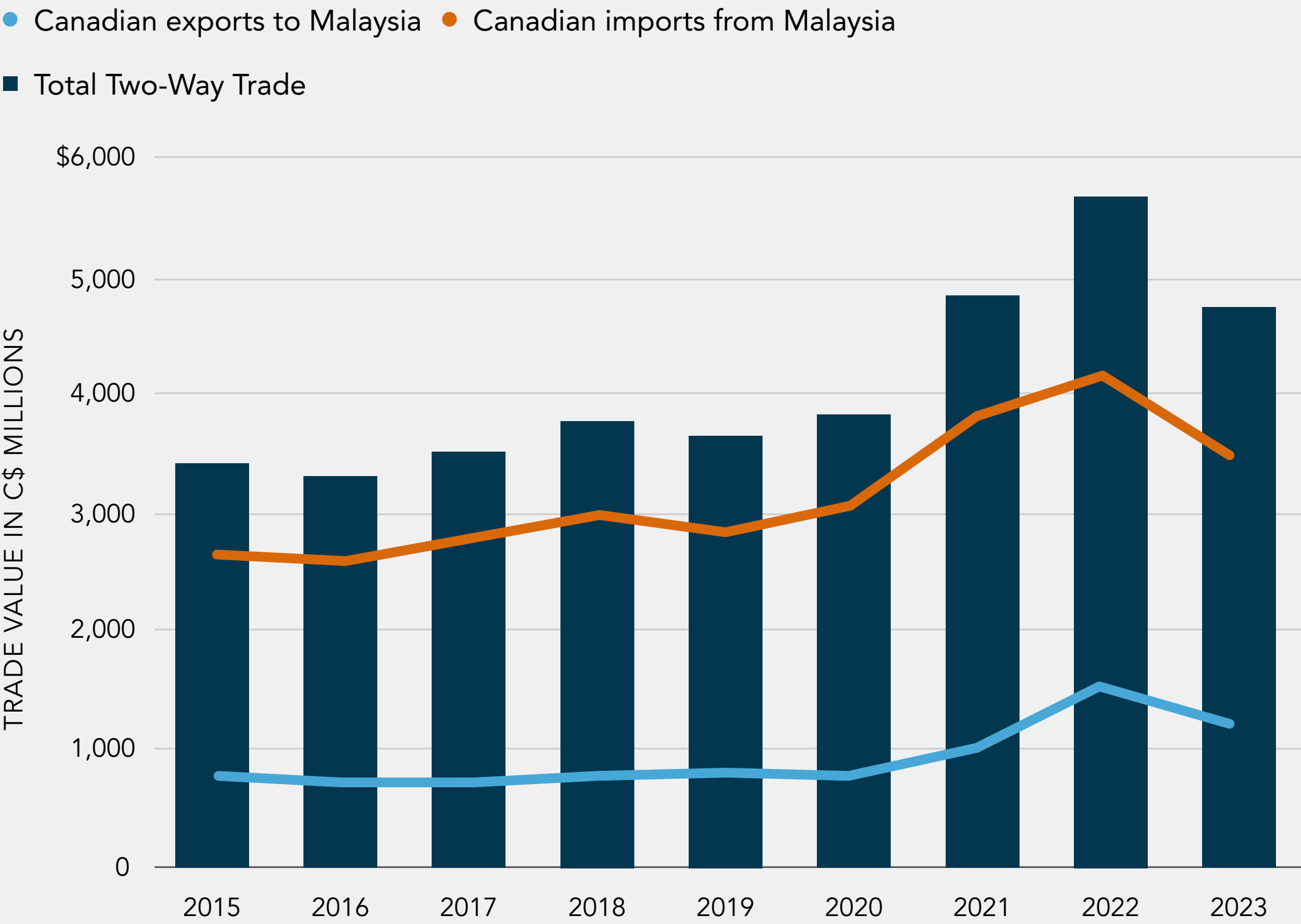
South Korea

MERCHANDISE TRADE

Japan is Canada’s **largest merchandise trade partner** among the AP7. After CPTPP ratification, Canada-Japan merchandise trade grew by 22%, rising from approximately C\$29.6B in 2018 to over C\$36.2B in 2023. While the pandemic had a negative impact on Canada-Japan trade in 2020, the trade rebounded in 2022, reaching pre-pandemic levels (around C\$29.7B) (Figure 1).

Prior to the CPTPP’s ratification, Canada-Japan trade was consistently driven by Canadian imports from Japan, a trend that largely continued post-ratification, with the exception of 2022. In 2022, Canadian exports to Japan overtook imports, driven by an increase in exports of *energy products* (by C\$3.4B) and *metal and non-metallic mineral products* (by C\$300M). The increase in export values was due to a sharp [rise in global prices for energy and mineral products](#) following Russia’s invasion of Ukraine and the resulting economic sanctions placed on Russia. Nonetheless, Canada has maintained an overall negative merchandise trade balance with Japan.

Figure 1: Canada-Japan Two-Way Merchandise Trade, 2015-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Figure 2: Canada’s Top Exports to Japan, 2019-23

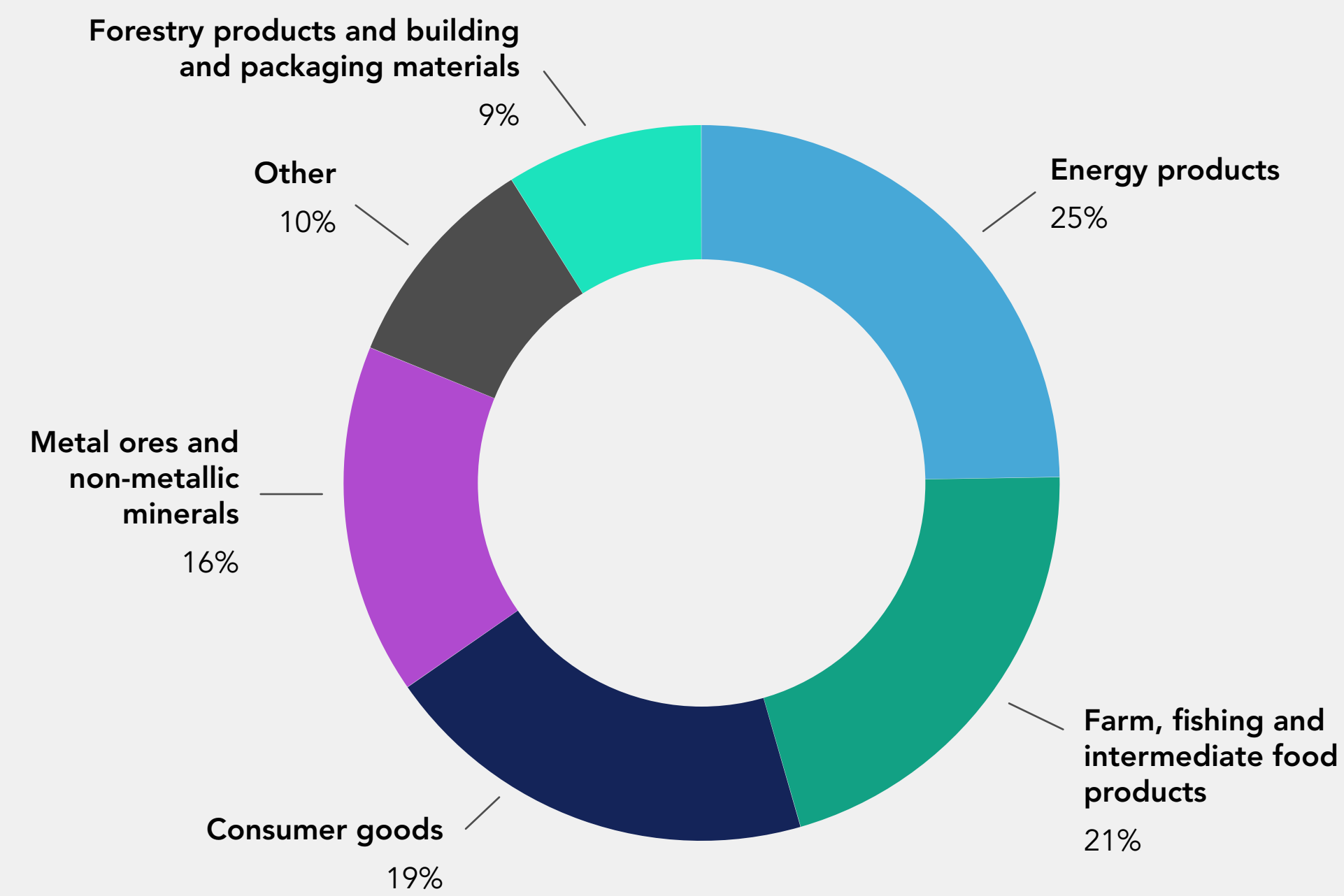
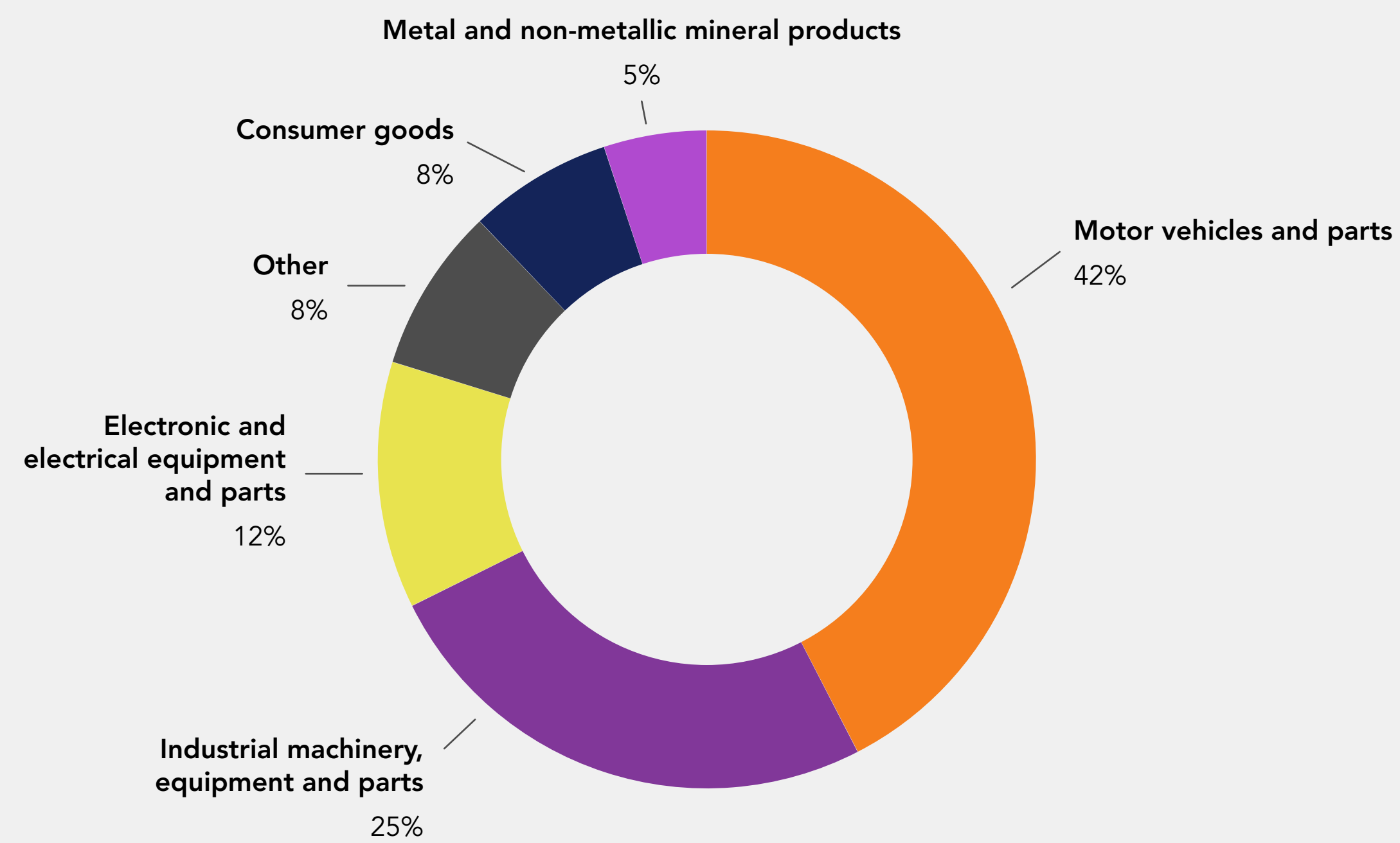


Figure 3: Canada’s Top Imports from Japan, 2019-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Canada’s main exports to Japan over the past five years have been *energy products, farm, fishing and intermediate food products, and consumer goods* (Figure 2). During this period, Canada exported

approximately C\$17.7B worth of *energy products*, over C\$15.2B in *farm, fishing, and intermediate food products*, and around C\$14.1B in *consumer goods* to Japan.

Over the last five years, **Canada’s main imports** from Japan consisted of *motor vehicles and parts, industrial machinery, and electronic and electrical equipment* (Figure 3).

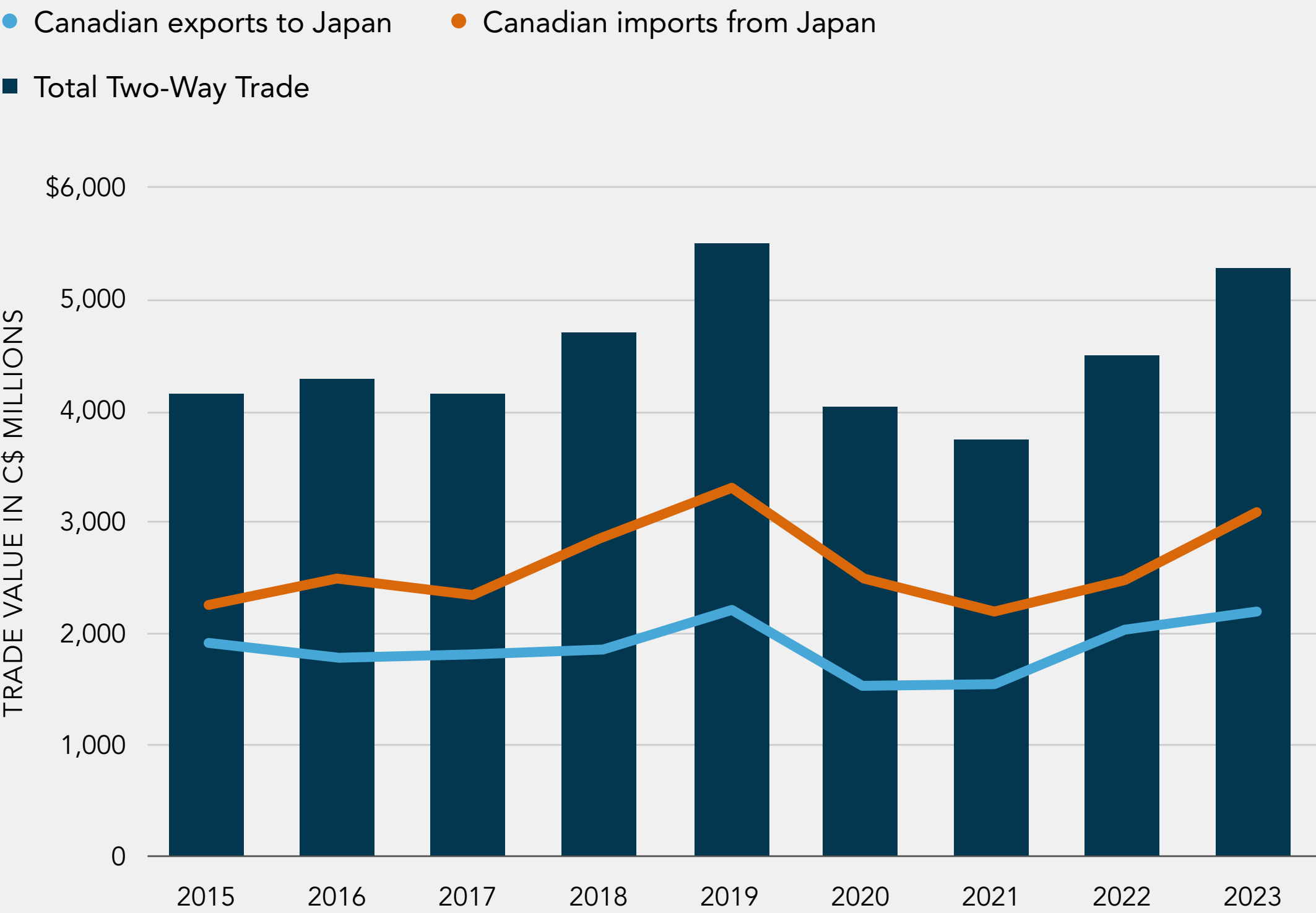
Between 2019 and 2023, Canada imported around C\$35B in *motor vehicles and parts*, C\$20.5B in *industrial machinery*, and C\$10.4B in *electronic equipment*.

SERVICES TRADE

Japan was also Canada’s **largest services trade partner** among the AP7 economies from 2019 to 2023. In the first year following CPTPP ratification, two-way services trade between the two countries grew by 17%, from C\$4.7B in 2018 to over C\$5.5B in 2019. The pandemic led to negative services trade growth that has yet to rebound to pre-pandemic levels, leading to a 4% decrease in services trade, from over C\$5.5B in 2019 to approximately C\$5.3B in 2023 (Figure 4).

Overall, Japan-Canada services trade over the past five years reached around C\$23.1B. However, this trade has been dominated by Canadian imports from Japan, resulting in a Canadian trade deficit (Figure 4).

Figure 4: Canada-Japan Two-Way Services Trade, 2015-23



Source: Statistics Canada, Table 36-10-0007-01

Over the past five years, **Canadian service exports to Japan** were primarily driven by *commercial services*, which accounted for over 49% of Canada’s services exports to Japan, worth C\$4.6B.

Similarly, *commercial services* also dominated **Canada’s service imports from Japan**, making up 51%, or C\$7B, of total imports over the same period (Table 1).

TABLE 1

Services	Percentage of Total Service Exports to Japan, 2019-23	Percentage of Total Service Imports From Japan, 2019-23
Commercial	49%	51%
Travel	23%	18%
Transportation and government services	29%	31%

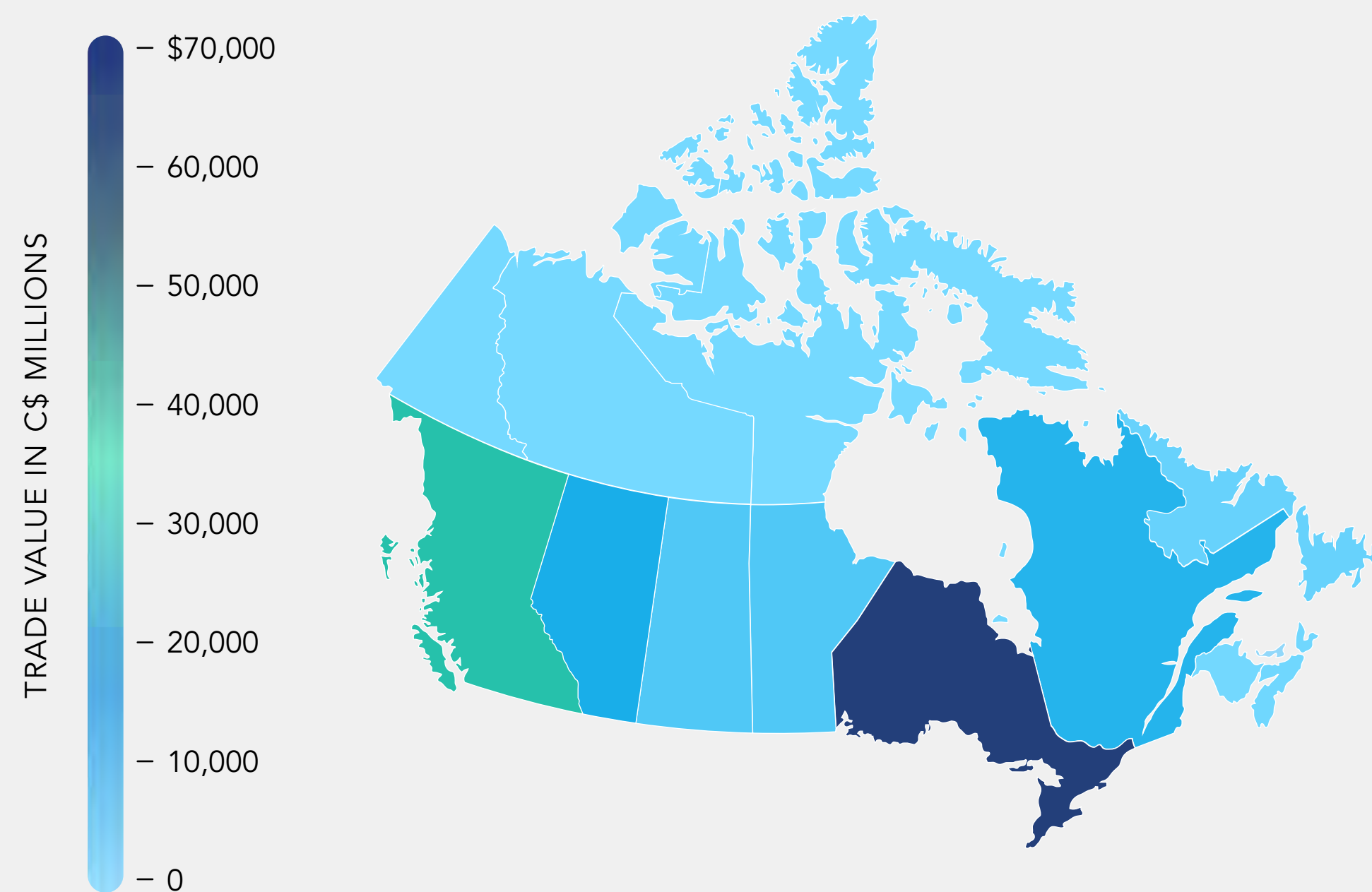
Source: Statistics Canada, Table 36-10-0007-01



PROVINCES BENEFITING FROM CANADA-JAPAN TRADE

Ontario has been the primary beneficiary of Canada's two-way merchandise trade with Japan, accounting for 44% of Canada-Japan two-way merchandise trade from 2019 to 2023, followed by **British Columbia** (27%) and **Alberta** (10%) in second and third place. **Quebec** (9%) and **Saskatchewan** (4%) rounded out the top five (Figure 5).

Figure 5: Canadian Provinces Two-Way Trade with Japan, 2019-23



Source: Statistics Canada: Table: 12-10-0173-01

JAPAN'S TOP FIVE PROVINCIAL PARTNERS:

Ontario

C\$67,659M

British Columbia

C\$41,624M

Alberta

C\$15,856M

Quebec

C\$13,740M

Saskatchewan

C\$6,670M

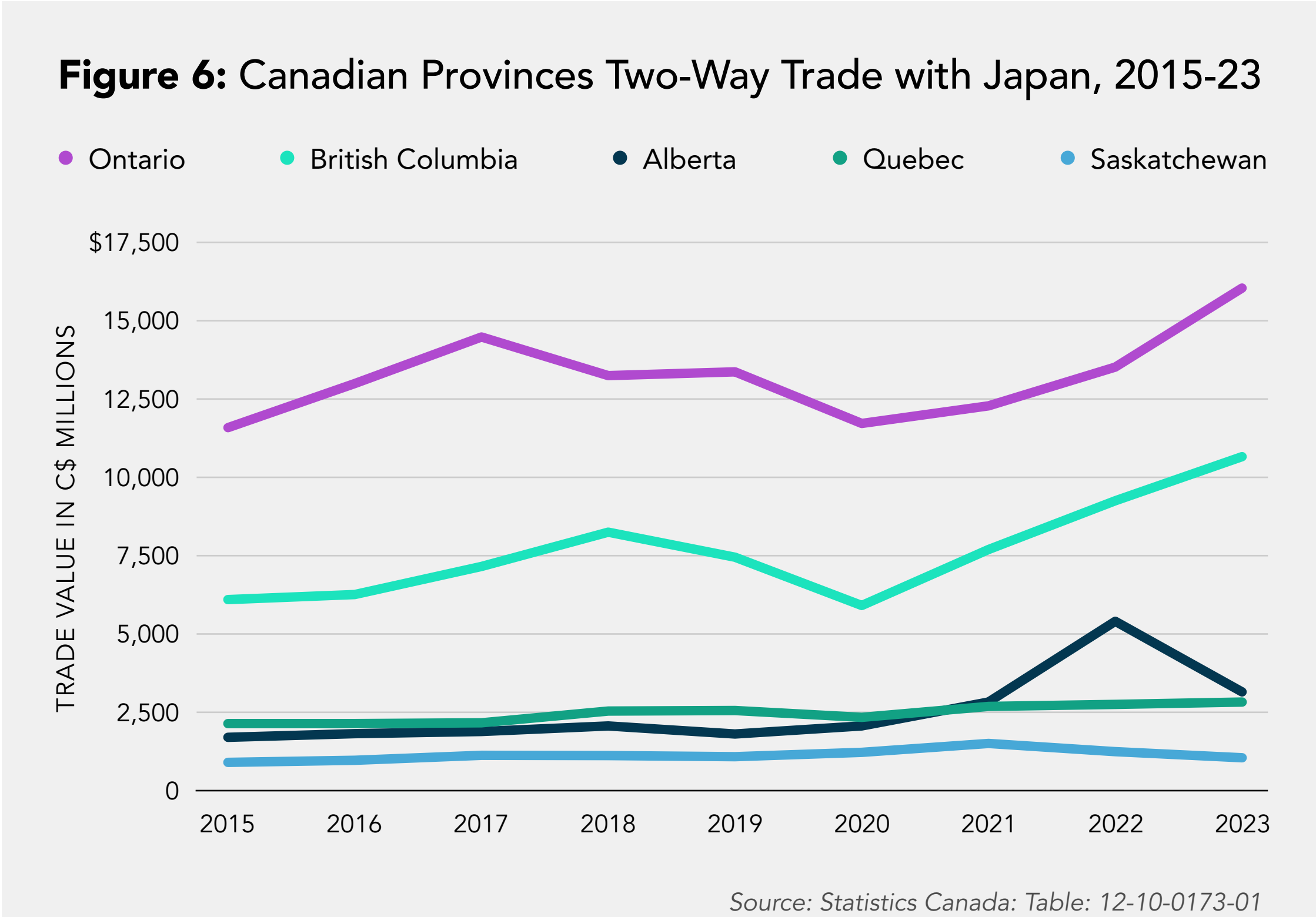
Merchandise trade between **Ontario** and Japan grew by nearly 20% from C\$13.5B in 2019 to C\$16.2B in 2023, with the 2023 value representing 45% of Canada’s total trade with Japan that year (Figure 6). Imports dominated Ontario’s trade with Japan, accounting for over 84% (or C\$56.9B) during this period, with *motor vehicles and parts* as the top imports. On the export side, *consumer goods* were Ontario’s leading exports to Japan, making up nearly 52% of its total exports.

British Columbia’s trade with Japan grew rapidly post-pandemic, increasing by 79% from C\$6B in 2020 to around C\$10.8B in 2023. British

Columbia’s energy exports accounted for around 49% of total exports during this time, with *motor vehicles* being the top Japanese imports, accounting for 46% of imports.

Alberta’s trade with Japan grew from C\$1.9B in 2019 to C\$5.5B in 2022 before declining to C\$3.2B in 2023, driven by a decline in exports of *metal and non-metallic products*

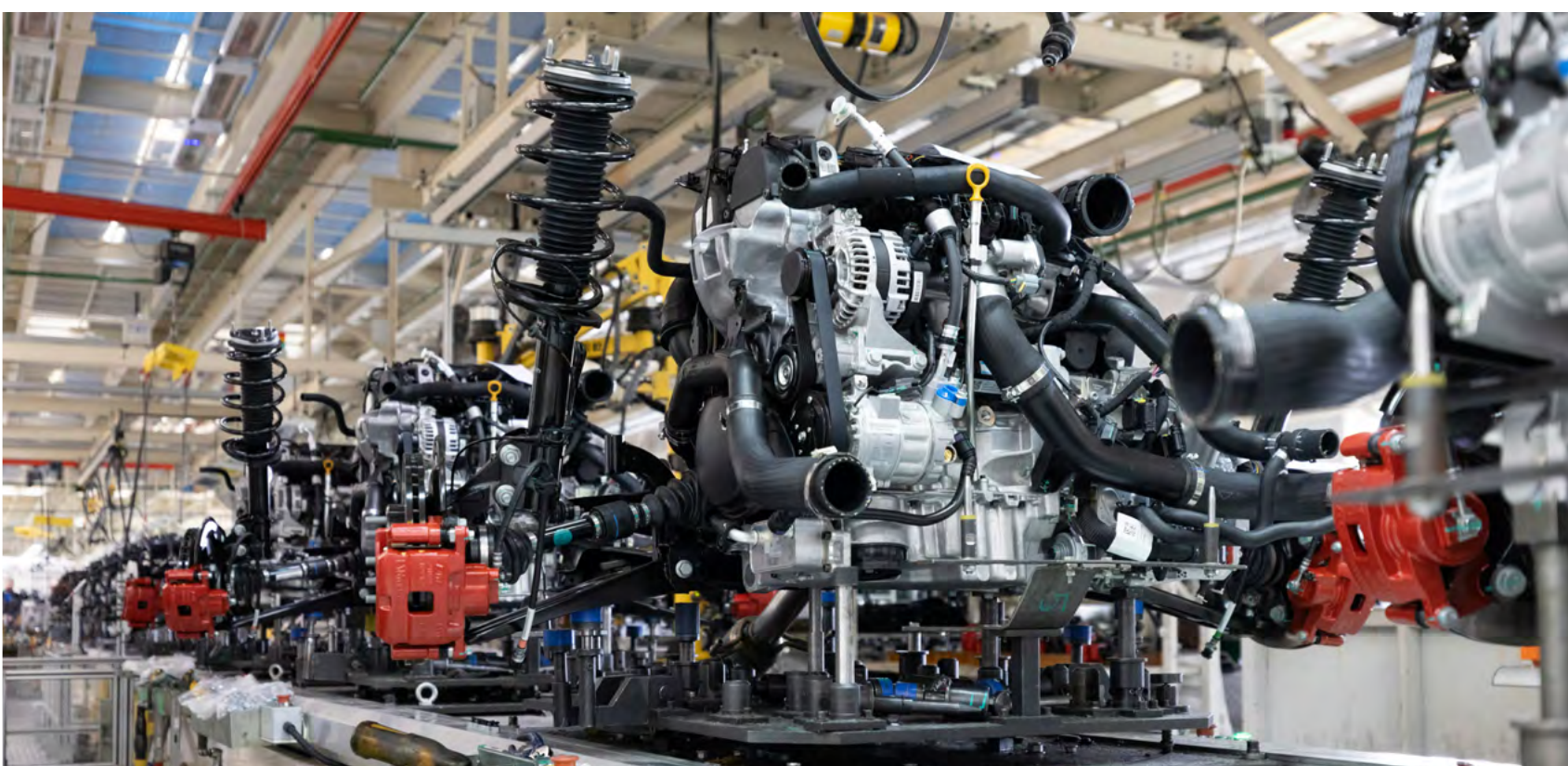
and *energy*. Japan’s reduced imports of Alberta’s *metal products* in 2023 were driven by [weaker industrial demand](#) due to slower economic growth and declining metal prices due to oversupply and more stabilized supply chains as international markets adjusted to the Russia-Ukraine war. For energy products, [falling prices were the main factor](#) for a decline in Japan’s imports, again, as markets adjusted to the Russia-Ukraine war. A global economic slowdown and rising borrowing costs also further dampened demand for Alberta’s *energy exports*.



Quebec and **Saskatchewan** trade with Japan has been driven by exports over the past five years, accounting for over 61% and 88% of their respective total trade with Japan. While Quebec's trade with Japan grew steadily after the pandemic, Saskatchewan's trade with this APF economy declined from 2021 to 2023. The decline was driven by a decrease in Saskatchewan's exports of *farm, fishing, and food products* to Japan, which represented around 99% of its total exports to Japan. These decreased seafood imports stem from [post-pandemic shifts in consumer behaviour](#) in Japan. The economic slowdown caused by the pandemic increased demand for affordable food, while a return to office work drove a preference for packaged products. In addition, rising fresh food prices further led consumers to reduce seafood consumption or switch to cheaper proteins like poultry and pork.



TRADE OPPORTUNITIES



Following the ratification of the CPTPP, trade in goods and services between Canada and Japan have benefited from reduced tariffs. Although the overall trade value has increased, it remains largely import-driven, resulting in a negative trade balance for Canada.

According to the International Trade Centre's (ITC) [Export Potential Map](#), there are still significant opportunities for Canadian exporters in key sectors within Japan. The total [export potential](#) for Canada to Japan is estimated at C\$11B, but current exports have only reached C\$9.5B, leaving an unrealized potential of C\$1.5B.

The ITC identifies [major export opportunities for Canadian products in Japan](#), particularly in *metals (excluding ferrous and precious metals), motor vehicles and parts, and wood*, with the export potential valued at C\$963M, C\$835M, and C\$200M, respectively.

Team Canada Trade Missions [identified](#) *agriculture & processed foods, clean technology, creative industries, energy, information and communications technology (ICT), and life sciences* as key Japanese sectors that present opportunities for Canadian companies.

*By Rachael Gurney,
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International Trade and
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MALAYSIA



ABOUT

APF Canada's CPTPP Mini-Trade Report: **MALAYSIA**

- Building on our recent report, [The Impact of the CPTPP on Trade between Canada and the Asia Pacific](#), this mini-report focuses on Malaysia – one of the seven 'AP7' economies (signatories to the CPTPP) in the Asia Pacific.
- This report explores the CPTPP's benefits for Canada's merchandise and service trade relations with Malaysia at the national and sub-national level in the five years post-Canadian ratification of the CPTPP (from 2019 to 2023)
- Malaysia only ratified the CPTPP in November 2022.
- The report also identifies future trade opportunities for Canadian and Malaysian firms to expand their business presence and leverage untapped opportunities in the CPTPP.
- This is one of six reports being released by APF Canada in the first quarter of 2025 – the other reports focus on the AP7 economies of [Singapore](#), [Australia](#), [Japan](#), New Zealand and Vietnam (Brunei is excluded due to limited data).



KEY TAKEAWAYS

- Malaysia is Canada's fourth-largest AP7 trading partner, but two-way **merchandise trade** declined by 17% in 2023 despite Malaysia's ratification of the CPTPP in 2022.
- Malaysia ranks fifth in Canada's AP7 **services trade**, which also declined by approximately 10% in 2023.
- **Ontario** is Malaysia's largest Canadian merchandise trade partner, with two-way trade driven by Canadian imports. Although trade declined across most provinces in 2023, **Newfoundland and Labrador** and **New Brunswick** were the only provinces to benefit from growing trade with Malaysia that year.
- While trade benefits from the CPTPP have yet to materialize, Malaysia's growing middle class offers export opportunities in **agriculture, halal foods, and industrial goods**.

Key Statistics, 2023

[GDP](#) (PURCHASING POWER PARITY):

C\$1.82T

[POPULATION](#):

35M

TOP FIVE [TRADE PARTNERS](#):



China



Singapore



United States



European Union



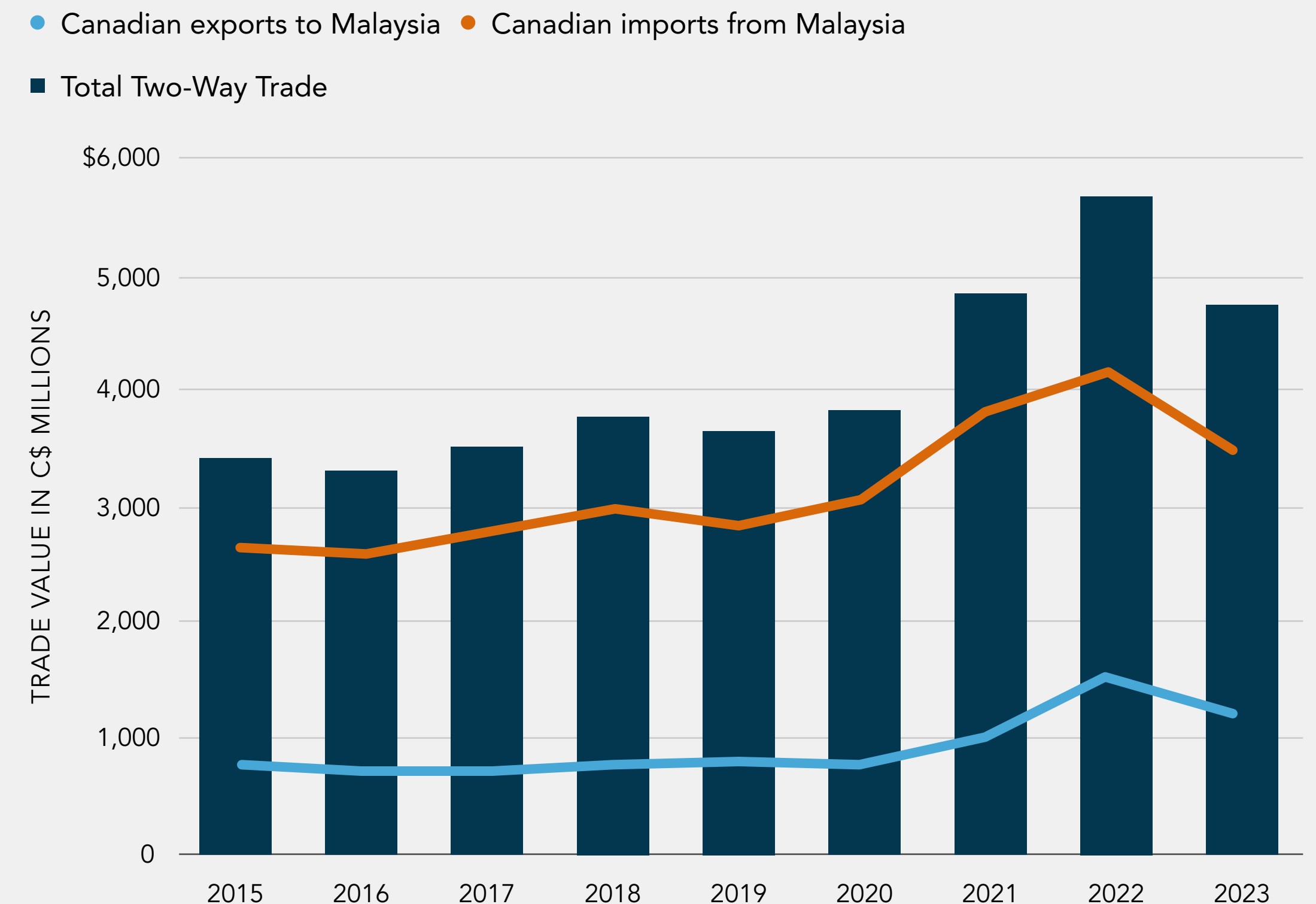
Japan

MERCHANDISE TRADE

Malaysia is Canada's **fourth-largest merchandise trading partner** among the AP7. Despite the pandemic, Canada-Malaysia merchandise trade grew steadily, averaging 11% from 2019 to 2022, peaking at C\$5.6B in 2022.

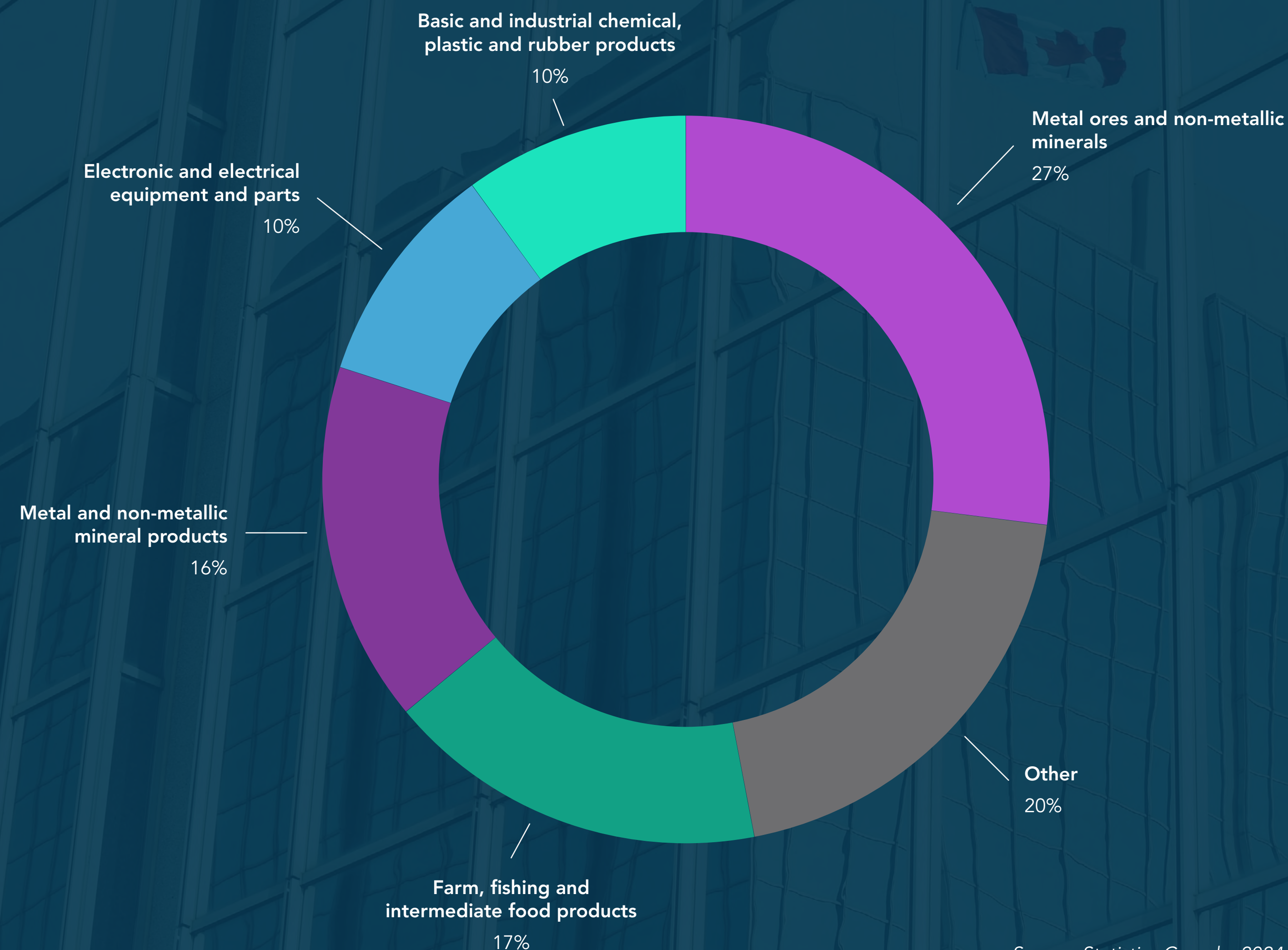
Malaysia ratified the CPTPP in November 2022, but two-way trade after the agreement's ratification declined by 17% to C\$4.7B in 2023, driven by shifting commodity demand and a global economic slowdown (Figure 1). Canada-Malaysia trade is driven by imports, resulting in a Canadian trade deficit.

Figure 1: Canada-Malaysia Two-Way Merchandise Trade, 2015-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Figure 2: Canadian Exports to Malaysia, 2019-23

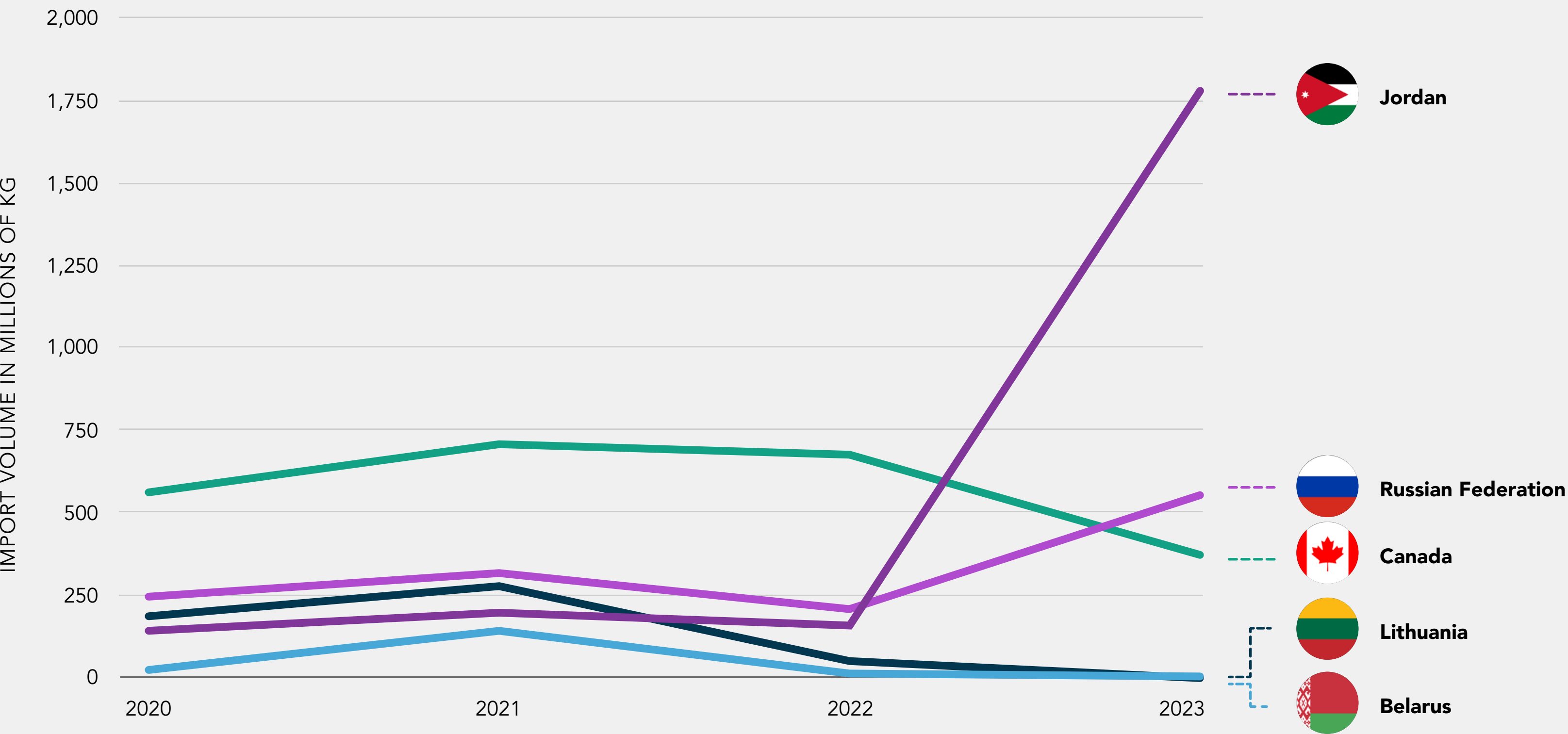


Over the last five years, **Canadian exports** of *metal ores and non-metallic minerals*, primarily potassium chloride (potash), accounted for over a quarter (or around C\$1.5B) of exports to Malaysia (Figure 2). *Farming, fishing, and intermediate food products* were Canada’s second largest export category accounting for 17% (or C\$905M).

Source: Statistics Canada, 2024, Table: 12-10-0173-01

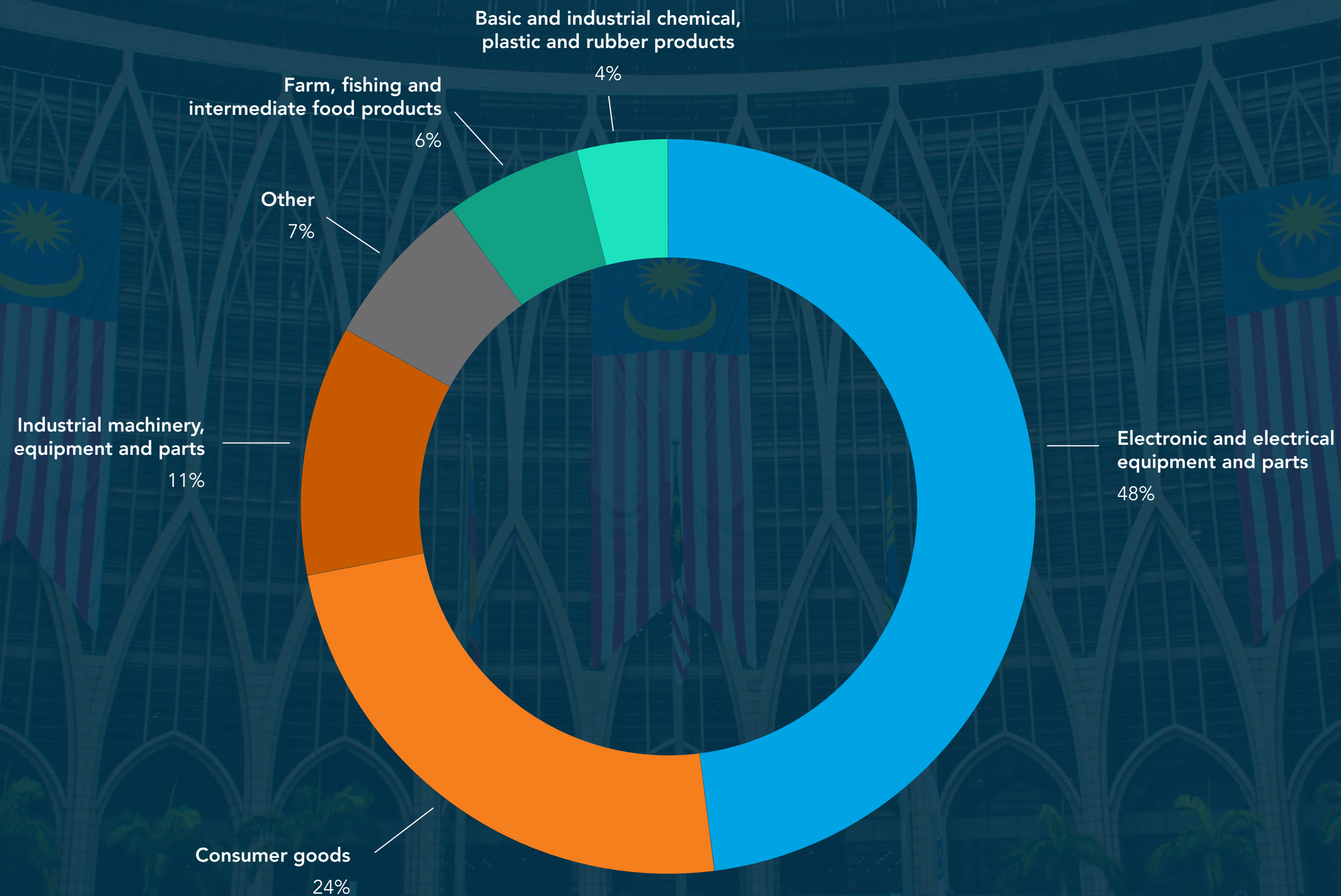
In 2023, Canadian exports to Malaysia declined, primarily driven by a decline in exports of *energy products* as well as *metal ores* and *non-metallic minerals*. A decline in Canada’s potash exports to Malaysia in 2023, compared to 2022, accounts for a significant portion of the decline in exports, likely driven by [labour disruptions at the Port of Vancouver](#) and fluctuating commodity prices in 2023. In 2022, Canada exported C\$591M of potash to Malaysia (accounting for 52% of Malaysia’s potash imports) due to reduced exports from Russia and Belarus in the aftermath of Russia’s invasion of Ukraine, while in 2023 the exports fell to C\$225M as Malaysia’s imports of potash from [Russia](#) and new producers – Jordan, Laos, and Vietnam – increased (Figure 3).

Figure 3: Malaysia’s Top 5 Potash Import Partners, 2020-23



Source: World Integrated Trade Solutions, World Bank

Figure 4: Canadian Imports from Malaysia, 2019-23



Source: Statistics Canada, 2024, Table: 12-10-0173-0171-01

Electronic and electrical equipment accounted for nearly half of **Canadian imports from Malaysia**, with Canada importing C\$8.4B in the last five years (Figure 4). *Consumer goods* were the second largest category, accounting for a quarter (or C\$4.2B) of imports.

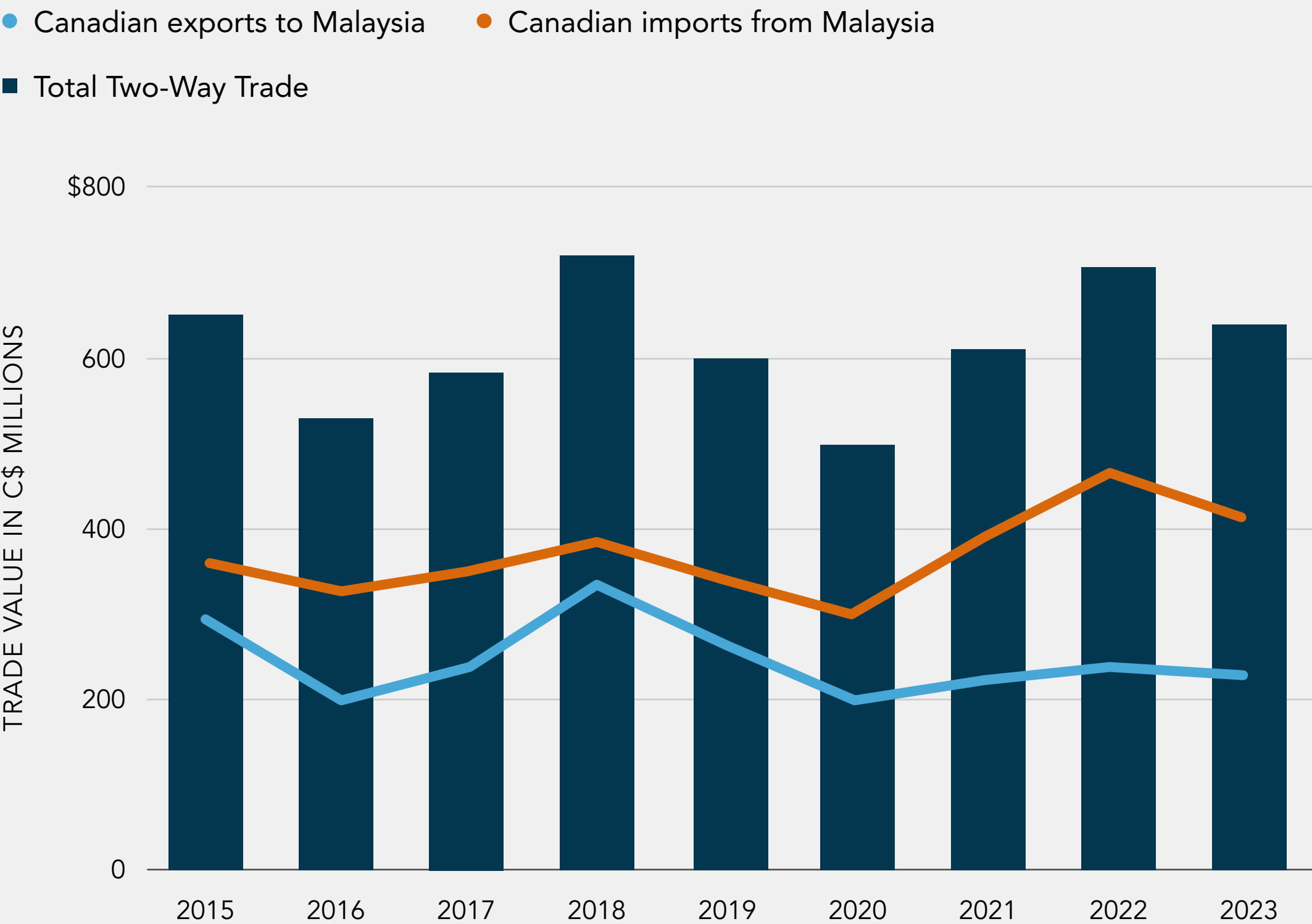
In 2023, Canadian imports from Malaysia declined in all major sectors, driven by a significant decline in Canada's imports of *electronic and electrical equipment* by 20% and *consumer products* by 14%. This decline was likely due to the overall slowdown of Canadian consumer demand amidst [high inflation and shifting spending habits](#).

SERVICES TRADE

Malaysia is ranked as Canada’s **fourth-largest trade partner in services** among the AP7. Despite a decline in services trade during the pandemic, two-way services trade grew from C\$603M in 2019 to C\$707M in 2022, before falling by 10% to C\$639M in 2023 (Figure 5).

Canadian imports account for the majority of bilateral services trade with Malaysia, resulting in a services trade deficit for Canada. While imports recovered quickly from the negative impact of the pandemic, exceeding 2019 levels in 2022, exports have stagnated, increasing the trade deficit.

Figure 5: Canada-Malaysia Two-Way Service Trade, 2015-23



Source: Statistics Canada, 2024, Table 36-10-0007-01

Canada’s **top service exports** to Malaysia over the past five years since Canada ratified the CPTPP were in *commercial services* and *travel* categories (Table 1). After Malaysia’s ratification of the CPTPP, Canada’s service exports to Malaysia increased (compared to 2022) with *travel services*, showing signs of recovery, nearly returning to 2019 export-levels.

Transportation and government services were Canada’s **main imports** from Malaysia, from 2019 to 2023. While they accounted for 81% of imports in 2023, they were slightly lower than in 2022. Malaysia’s position as a [maritime logistics hub in Southeast Asia](#) explains the dominance of transportation services. On the other hand, we see a rise in travel imports, which have surpassed 2019 import-levels, significantly rebounding after the pandemic.

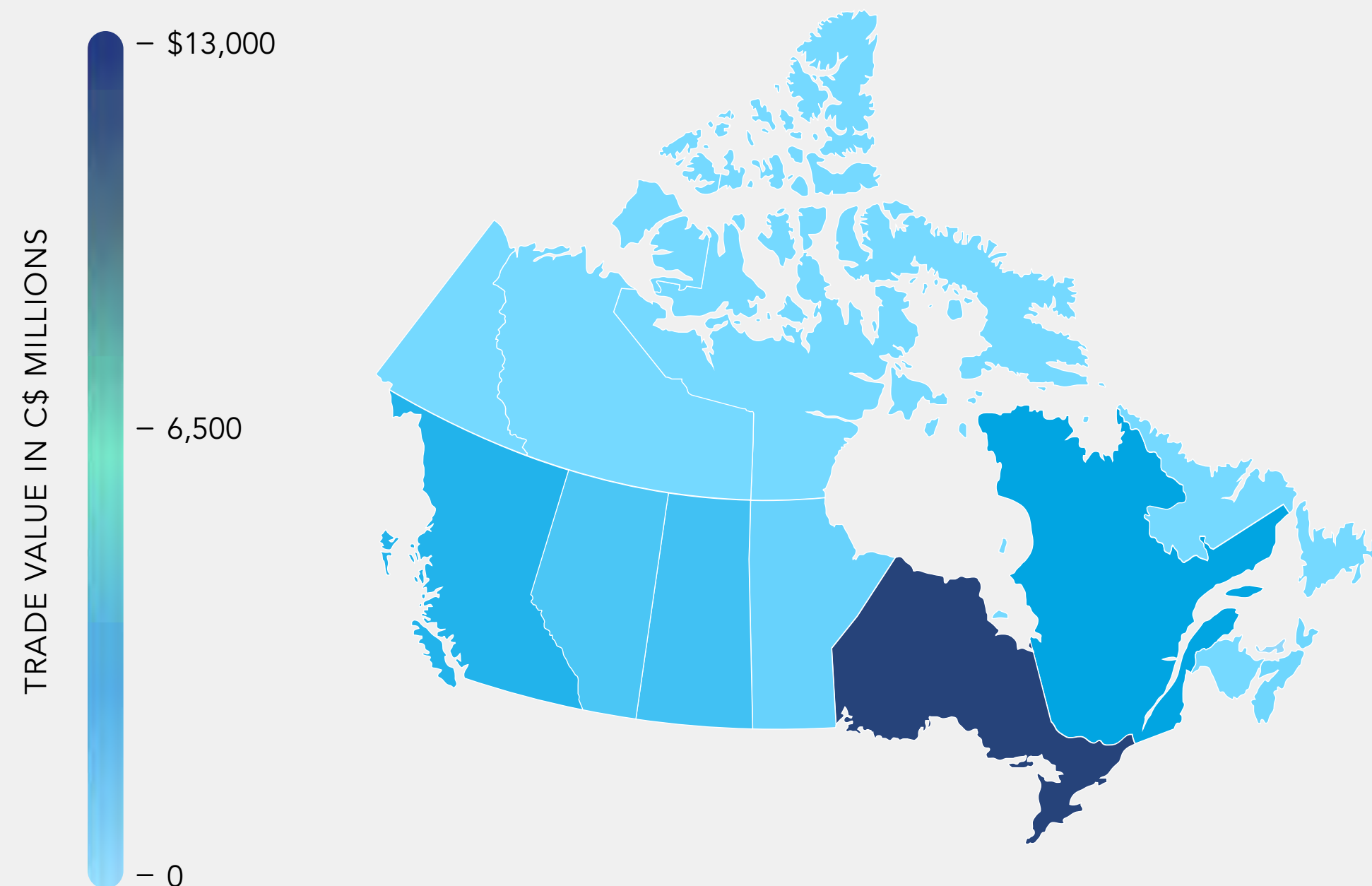
TABLE 1		
Services	Percentage of Total Service Exports to Malaysia, 2019-23	Percentage of Total Service Imports From Malaysia, 2019-23
Commercial	65%	13%
Travel	24%	4%
Transportation and government services	11%	83%

Source: Statistics Canada, 2024, Table 36-10-0007-01

PROVINCES BENEFITING FROM CANADA-MALAYSIA TRADE

Ontario is the overwhelming beneficiary of Canada-Malaysia's trade relationship, driven primarily by imports (Figure 6). Before Malaysia ratified the CPTPP, Malaysia's trade with most Canadian provinces grew, led by growing trade with **Ontario, Quebec, British Columbia, Saskatchewan, and Alberta**. However, after Malaysia's ratification, the majority of Canadian provinces experienced a decline in trade with Malaysia, except for **Newfoundland and Labrador** and **New Brunswick**.

Figure 6: Canadian Provinces Two-way Merchandise Trade with Malaysia, 2019-23



Source: Statistics Canada, 2024, Table: 12-10-0173-01

MALAYSIA'S TOP FIVE PROVINCIAL PARTNERS:

Ontario

C\$12,177M

Quebec

C\$3,722M

British Columbia

C\$2,610M

Saskatchewan

C\$1,787M

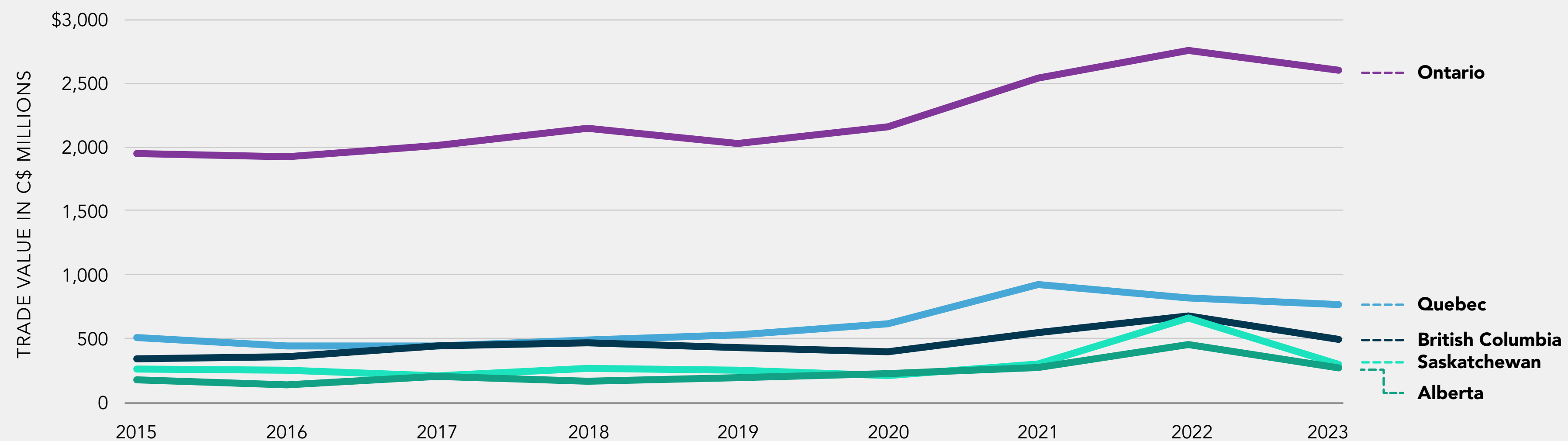
Alberta

C\$1,480M

TWO-WAY TRADE WITH CANADIAN PROVINCES

Ontario led Canada-Malaysia trade, with two-way trade reaching C\$2.6B in 2023, primarily driven by imports (C\$2.2B) and resulting in a trade deficit for Canada of around C\$1.9B (Figure 7). Ontario's top imports from Malaysia in 2023 included *electrical machinery and electronics* (around C\$1.2B), *consumer goods* (C\$409M), and *industrial machinery* (C\$339M). Meanwhile, Canada's top exports to Malaysia were *farm, fishing and intermediate food products* (around C\$69.4M) and *metal and non-metallic mineral products* (C\$68M).

Figure 7: Canadian Provinces Two-Way Merchandise Trade with Malaysia, 2015-23



Source: Statistics Canada, 2024, Table: 12-10-0173-01

Canada's major trading provinces with Malaysia saw declines in trade volumes from 2022 to 2023: **Ontario's** trade declined from C\$2.7B to C\$2.6B, **Quebec's** trade declined from C\$832M to C\$780M, **British Columbia's** trade declined from C\$691M to C\$507M, **Saskatchewan's** trade declined from C\$675M to C\$311M, and **Alberta's** declined from C\$466M to C\$283M. Ontario, Quebec, and Alberta's decline was driven by a decline in imports, while British Columbia and Saskatchewan experienced a decline in both exports and imports.

New Brunswick saw the greatest export growth among Canadian provinces in 2023, with two-way trade with Malaysia increasing by 28% (from C\$3.4M in 2022 to C\$4.3M in 2023). It was closely followed by **Newfoundland and Labrador**, which experienced a 27% growth in trade from C\$11M in 2022 to C\$13M in 2023. Newfoundland's export growth was driven by a surge in exports of metal and non-metallic products, driven by nickel exports, growing by an average of 124% from C\$3.7M in 2021 to C\$12M in 2023, as the [Voisey Bay Mine](#) expansion began production in 2021.



TRADE OPPORTUNITIES



The CPTPP only came into effect for Malaysia in 2022, and the lasting impacts of ratification remain to be seen. However, merchandise and services trade between Canada and Malaysia declined in 2023, contrary to expectations. The data indicates that neither Canadian nor Malaysian firms have fully leveraged the opportunities that the CPTPP agreement creates.

The CPTPP's elimination of tariffs on key agricultural products, such as wheat, beef, pork, palm oil, and prepackaged food products, presents new opportunities for Canadian and Malaysian food producers. The halal market is becoming an important trade opportunity for exporters in both countries, with growing demand

for [halal products](#) in Canada and Malaysia's predominantly Muslim population creating a demand for [halal-certified Canadian products](#).

Canada's recent and upcoming critical mineral mining projects, particularly in [potash](#) (Jansen project) and [nickel](#) (Voisey Bay Mine), will also create new export

opportunities. Additionally, LNG Canada's liquefied natural gas export terminal in Kitimat, British Columbia, expected to [begin operations in 2025](#), is 25% owned by Malaysian state-owned oil company Petronas, creating opportunities for exports of LNG from British Columbia to Malaysia.

According to the International Trade Centre's [Export Potential Map](#), there are additional Canadian export opportunities in aluminum, iron ore, motor vehicles, and the aircraft sector. Malaysia aspires to be a regional leader in aircraft maintenance with the recent opening of [Asia Digital Engineering's](#) maintenance, repair, and overhaul (MRO) hangar in Kuala Lumpur.

Although Canada-Malaysia services trade growth remains sluggish, new Air Canada flights to [Southeast Asia](#) in 2025 could boost tourism for both countries. At the 2024 ASEAN Summit, Malaysian Prime Minister Anwar Ibrahim urged Canada to [reciprocate visa-free travel](#) for Malaysians as Canadians have enjoyed this access to Malaysia

since 2018. Canadian travel to Malaysia [increased by 26% from 2017 to 2018](#). The [Government of Canada](#) also highlights service trade opportunities for Canadian businesses in Malaysia's education, e-commerce, and information and communications services.



By Kana Minju Bak,
Research Scholar,
International Trade &
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NEW ZEALAND



ABOUT

APF Canada's CPTPP Mini-Trade Report: **NEW ZEALAND**

- Building on our recent report, [The Impact of the CPTPP on Trade between Canada and the Asia Pacific](#), this mini-report focuses on New Zealand – one of the seven 'AP7' economies (signatories to the CPTPP) in the Asia Pacific.
- This report explores the CPTPP's benefits for Canada's merchandise and service trade relations with New Zealand at the national and sub-national level in the five years post-CPTPP ratification (from 2019 to 2023), with 2018 data for context.
- The report also identifies future trade opportunities for Canadian firms interested in expanding their presence in New Zealand.
- New Zealand ratified the CPTPP in October 2018, and Canada ratified it shortly after in December 2018.
- This is one of the six reports being released by APF Canada in the first quarter of 2025 – the other reports focus on the AP7 economies of [Singapore](#), [Australia](#), [Japan](#), [Malaysia](#), and Vietnam (excluding Brunei due to limited data).



KEY TAKEAWAYS

- **Merchandise trade** between Canada and New Zealand increased by 14% from just under C\$1.3B in 2018 to around C\$1.5B in 2023, with a Canadian trade deficit as Canada imported more goods from New Zealand.
- **Service trade** grew by 52% from around C\$567M in 2018 to nearly C\$861M in 2023, with a Canadian trade surplus as Canada exported more services to New Zealand.
- **Ontario** and **British Columbia** accounted for 70% of merchandise trade with New Zealand over the five years.
- Canadian businesses may benefit from opportunities in New Zealand's **transportation, aircraft, cleantech, ICT, life sciences, and infrastructure** sectors. Indigenous businesses and entrepreneurs may also benefit from both countries' commitment to supporting increased **Indigenous trade** activity.

Key Statistics, 2023

GDP (PURCHASING POWER PARITY):

C\$377B

POPULATION:

5.2M

TOP FIVE TRADE PARTNERS:



China



Australia



European Union



United States



Japan

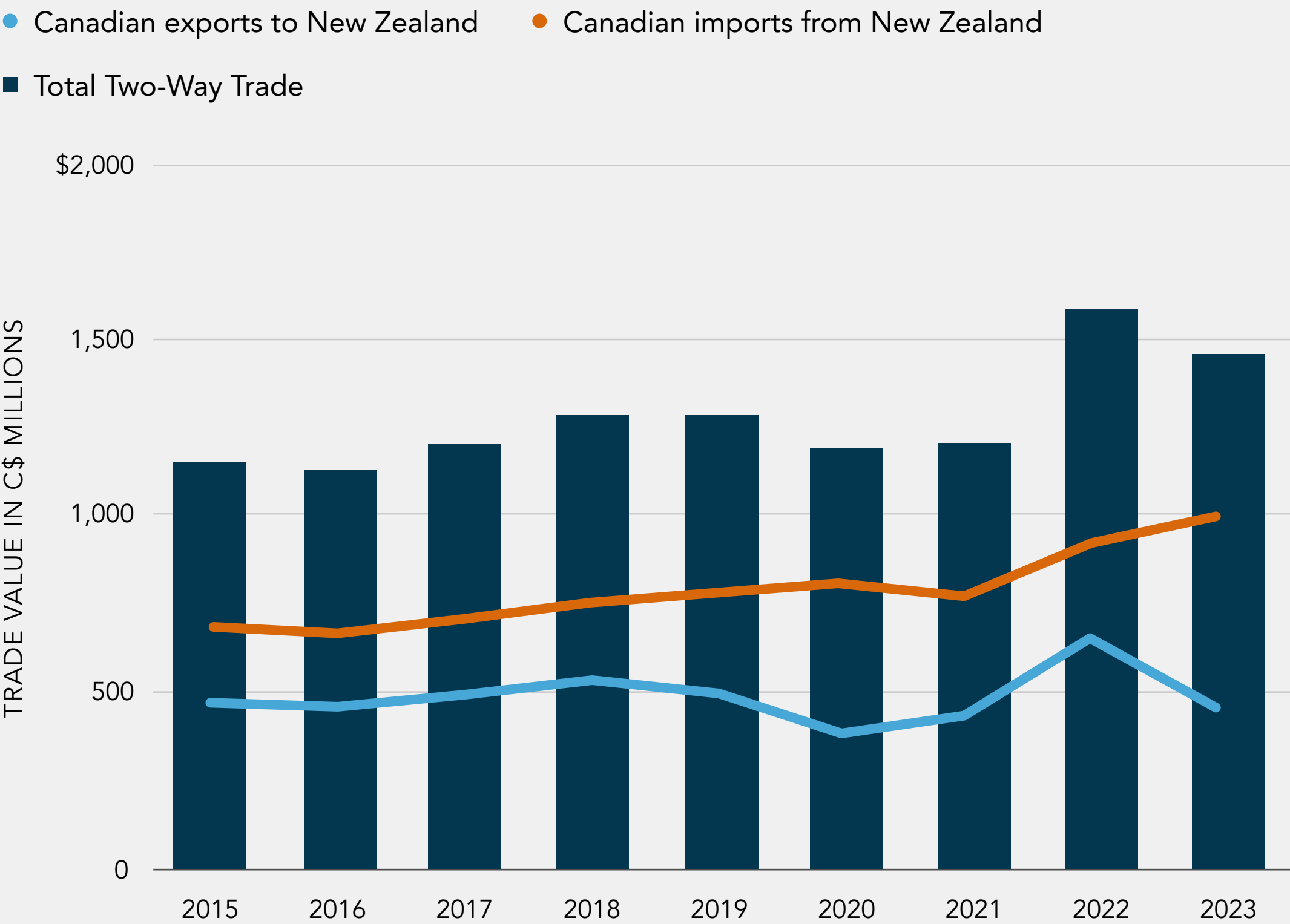
MERCHANDISE TRADE

New Zealand is Canada’s **sixth-largest merchandise trading partner** among the AP7. Within the five years post-CPTPP ratification, Canada-New Zealand two-way trade has increased by an average of 3.5% year-over-year from around C\$1.3B in 2019 to nearly C\$1.5B in 2023 (Figure 1).

The pandemic resulted in a 7% decline in trade volumes from around C\$1.3B in 2019 to C\$1.2B in 2020, with a resilient recovery in 2022 surpassing historical trade levels at nearly C\$1.6B (a 30.7% jump from the previous year).

During this period, Canadian imports have grown at a higher rate than exports to New Zealand since CPTPP ratification, with Canada maintaining a merchandise trade deficit with New Zealand.

Figure 1: Canada-New Zealand Two-Way Merchandise Trade, 2015-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Figure 2: Canada’s Top Exports to New Zealand, 2019-23

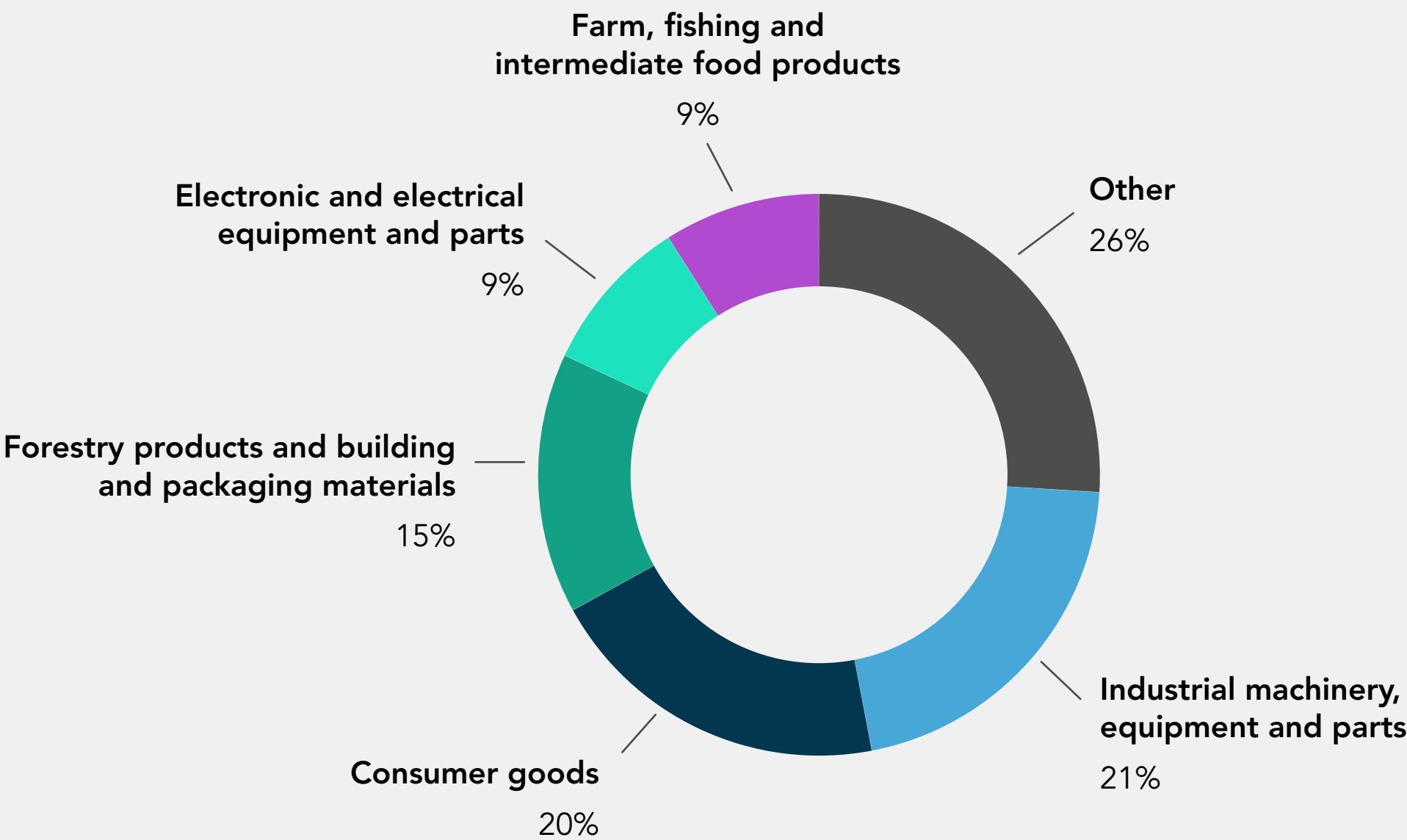
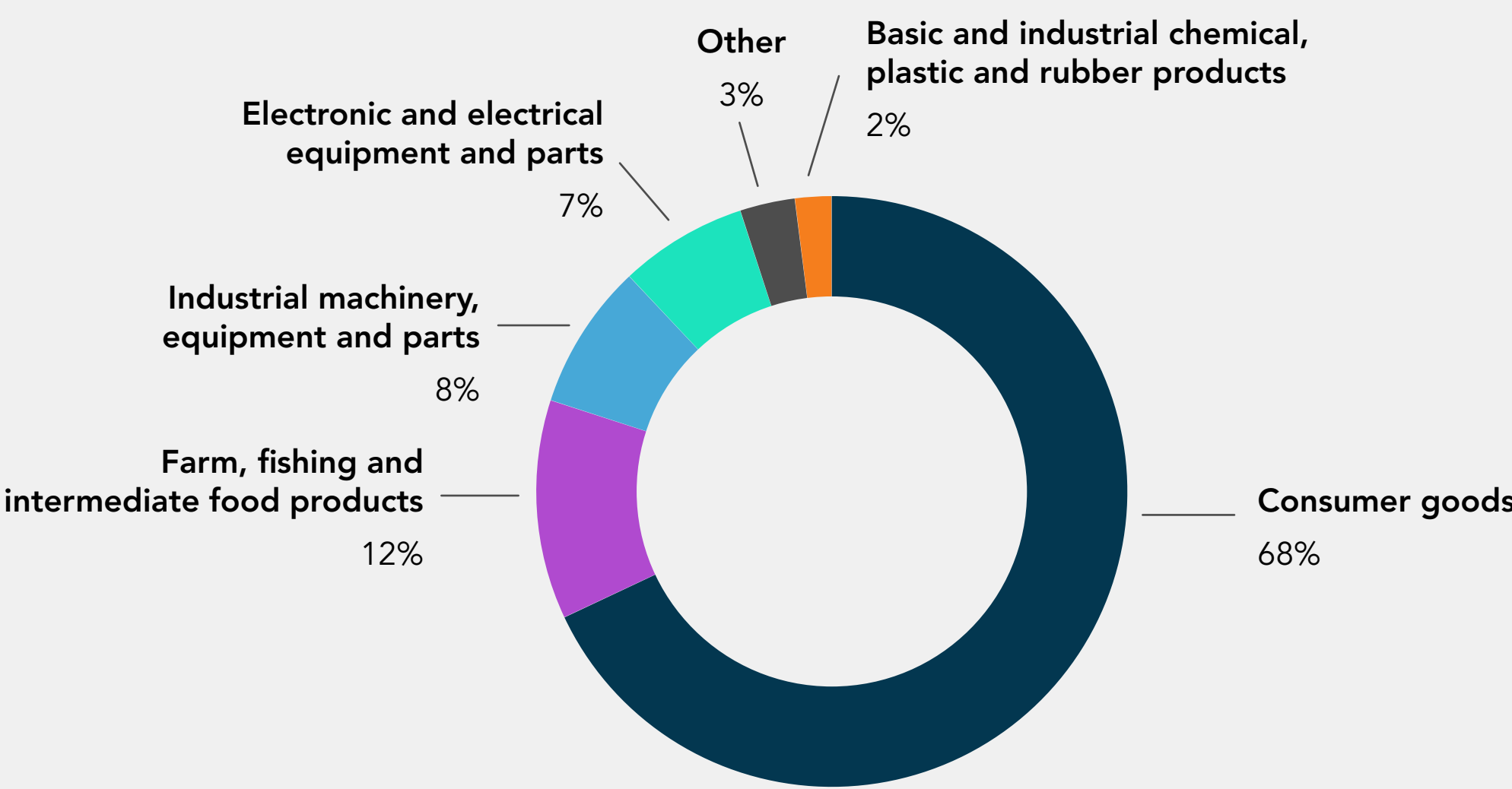


Figure 3: Canada’s Top Imports from New Zealand, 2019-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Canadian exports experienced volatility after the implementation of the CPTPP, in part due to COVID-19. Notably, Canadian exports to New Zealand dropped in 2023, with *metal ores and non-metallic minerals* and *electronic equipment* rebalancing

decreases in export volumes experienced by other sectors. Over the last five years, the top export categories of *industrial machinery, equipment and parts* (21%) and *consumer goods* (20%) accounted for nearly C\$1B of total

Canada-New Zealand merchandise trade (Figure 2). **Canadian imports** from New Zealand have steadily increased since CPTPP ratification. *Consumer goods* were Canada’s main imports

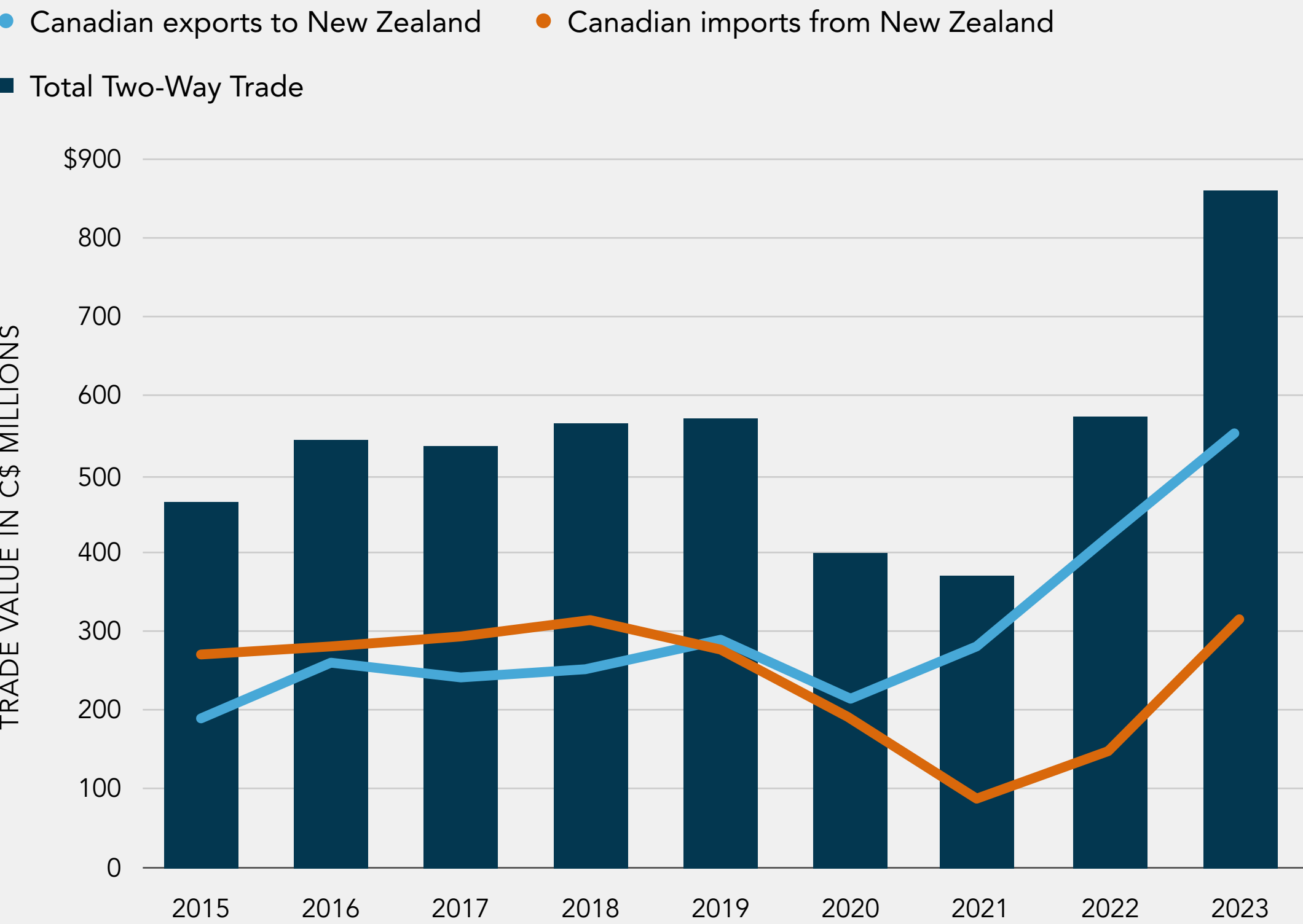
over the last five years, making up 68% of total merchandise imports and valued at C\$2.9B, with *farm, fishing and intermediate food products* following behind, accounting for 12% or around C\$0.5B of imports (Figure 3).

SERVICES TRADE

New Zealand is Canada’s **sixth-largest services trading partner** among the AP7. Services trade between the two economies has increased on average by 14% year-over-year, from less than C\$567M in 2018 to nearly C\$861M in 2023 (Figure 4). The pandemic widened the gap between Canadian exports and imports, with imports regaining momentum only in 2023, while exports recovered in 2022.

Since the ratification of the CPTPP, Canada reversed its previous slight trade deficit to create a growing trade surplus with New Zealand in services, with Canadian exports comprising 63% of two-way services trade.

Figure 4: Canada-New Zealand Two-Way Services Trade, 2015-23



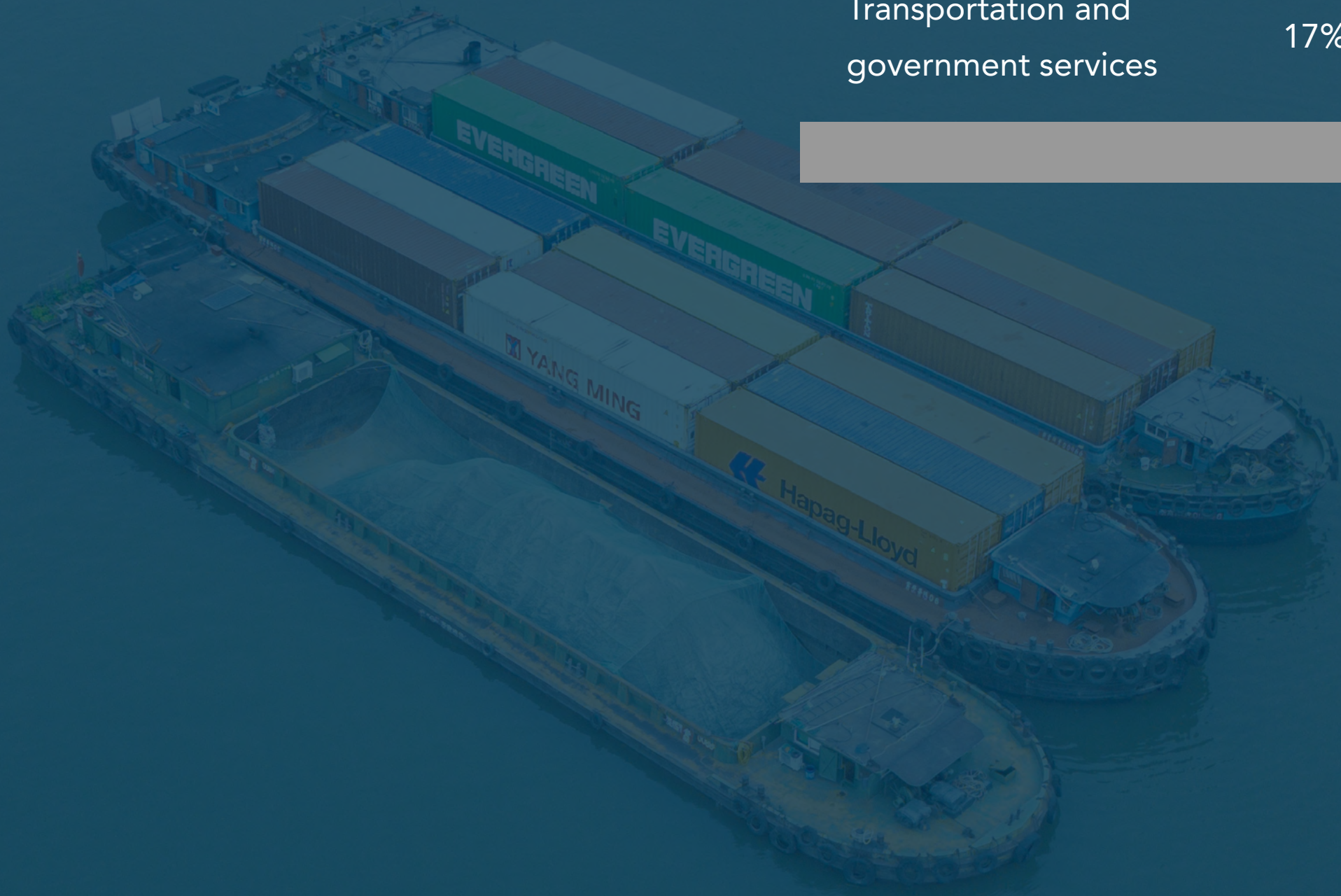
Source: Statistics Canada, 2024, Table 36-10-0007-01

From 2019 to 2023, **Canadian exports** to New Zealand were primarily *commercial services*, representing 57% of all service exports, or nearly C\$1B. Half of Canada’s **imports from New Zealand** were related to travel, which comprised 52% of total imports, exceeding C\$532M in value over the past five years (Table 1). As *travel services* were the most impacted during the pandemic, Canada’s imports in this category declined significantly in 2021-2022, only rebounding beyond pre-pandemic levels in 2023.

TABLE 1

Services	Percentage of Total Service Exports to New Zealand, 2019-23	Percentage of Total Service Imports From New Zealand, 2019-23
Commercial	57%	24%
Travel	26%	52%
Transportation and government services	17%	24%

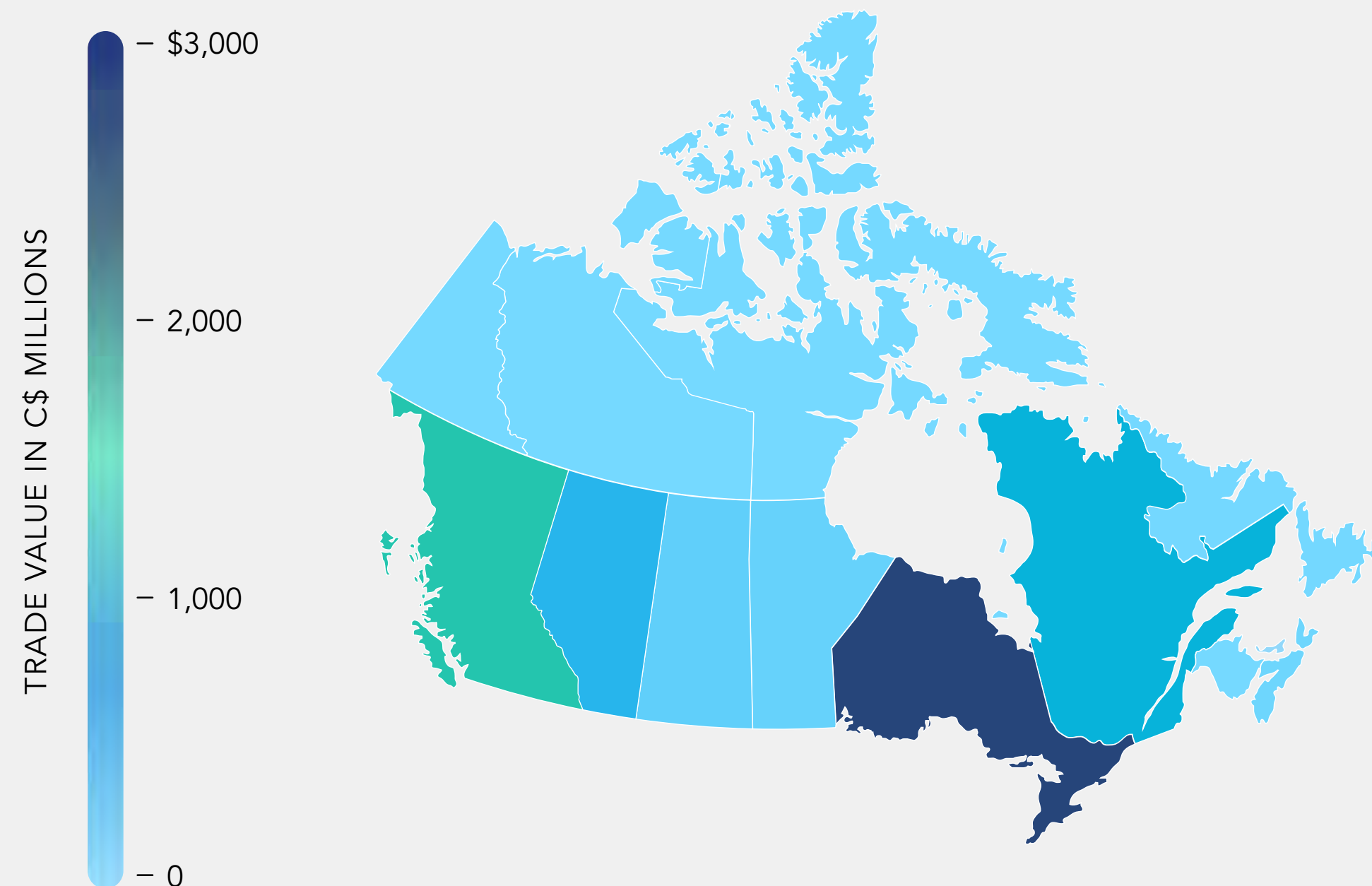
Source: Statistics Canada, 2024, Table 36-10-0007-01



PROVINCES BENEFITING FROM CANADA-NEW ZEALAND TRADE

Ontario and **British Columbia** accounted for 70% of Canada's merchandise trade with New Zealand in the five years after CPTPP ratification (Figure 5). **Quebec**, **Alberta**, and **Saskatchewan** also ranked among New Zealand's top five provincial trade partners.

Figure 5: Canadian Provinces Two-way Merchandise Trade with New Zealand, 2019-23



Source: Statistics Canada, 2024, Table 12-10-0173-01

NEW ZEALAND'S TOP FIVE PROVINCIAL PARTNERS:

Ontario

C\$2,759M

British Columbia

C\$1,766M

Quebec

C\$1,057M

Alberta

C\$526M

Saskatchewan

C\$137M

Despite a decline in **Ontario's** trade with New Zealand in 2023, two-way trade has increased at a year-over-year average of 5% since CPTPP ratification. This growth was driven mainly by imports of *consumer goods*, which rose steadily from C\$272M in 2019 to C\$361M in 2023. Similarly, **British Columbia's** *consumer goods* imports increased from C\$134M in 2019 to C\$151M in 2023. Among consumer goods that increased in popularity was [New Zealand's wine](#).

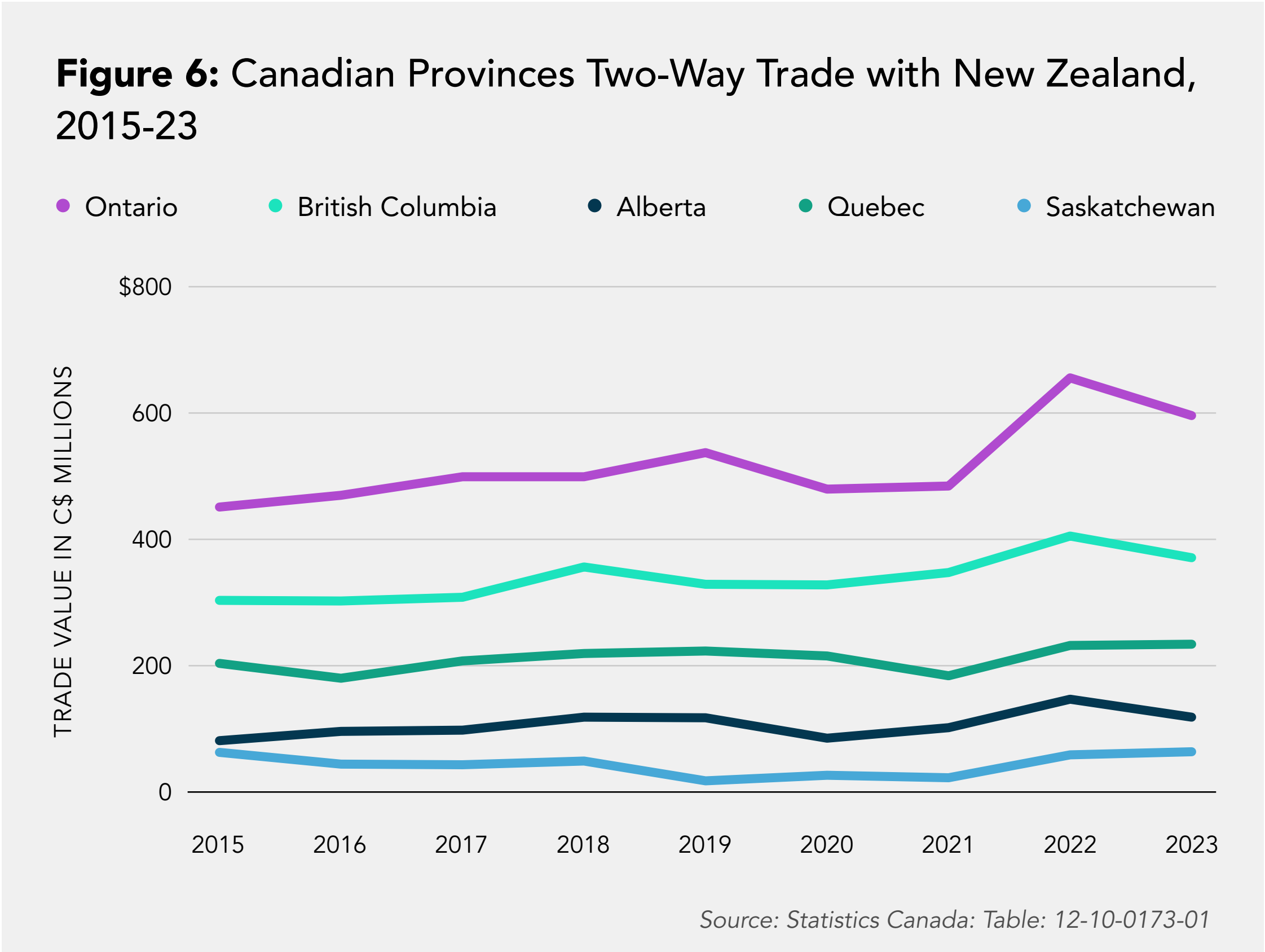
Ontario, British Columbia, and Alberta all experienced a decrease in merchandise trade in 2023, while **Quebec** and **Saskatchewan** continued to expand their trade relations with New Zealand

(Figure 6). With respect to the decline for Canada's top two trading provinces in 2023, Ontario experienced decreases in exports of *industrial machinery equipment and parts* (from C\$80M in 2022

to C\$26M in 2023) and *consumer goods* (from C\$75M in 2022 to C\$37M in 2023). Notably, Ontario's exports of *machines and mechanical appliances* shrank by nearly C\$16M from 2022 (C\$18M) to 2023 (C\$2M).

Ontario's declines in these categories are interrelated, pointing to damped [post-pandemic](#) consumer spending and lower [business investment](#) in New Zealand both on imported goods and imported machinery and equipment in reaction to a cost-of-living crisis and [low consumer confidence](#).

British Columbia also exported fewer *forestry products and building and packaging materials* to New Zealand (which declined from around C\$85M in 2022 to C\$24M in 2023) due to weaker growth in residential and commercial construction projects in New Zealand as [inflationary pressures](#) decreased demand and increased building costs, including for imported materials.



TRADE OPPORTUNITIES



Canada and New Zealand share common trade characteristics that could readily expand into business opportunities. Critically, Indigenous trade is a key commitment in both countries, which are members of the [Indigenous Peoples Economic and Trade Cooperation Arrangement](#) (IPETCA). Accounting for around

1 million, or [19.6% of New Zealand's population](#) in 2023, people of Māori descent represent a significant market for Indigenous producers and consumers in Canada. For instance, 7.2% of Canada's Indigenous (e.g. First Nations, Inuit, Métis) Small and Medium-sized Enterprises (SMEs) who exported

in 2020 listed New Zealand and Australia as [top export destinations](#).

According to the International Trade Centre's [Export Potential Map](#), Canadian exporters can capture market share in New Zealand for transportation, such as **motor vehicles for passengers or transportation of goods**

and **powered aircraft**, which represent a cumulative trade gap of nearly C\$217M. Canada's [Trade Commissioner Service](#) identifies other business opportunities in New Zealand's **cleantech, information and communications technologies, life sciences, and infrastructure industries**.

Conversely, dairy products such as **cheese** and **dairy fats** make up C\$32M of the [export potential gap](#) for New Zealand's exporters to Canada, representing the valuation of losses hanging in the balance of an ongoing trade dispute concerning Canada's dairy trade rate quotas (TRQs). Canada currently maintains 16 TRQs for its dairy market, which set volumes for tariff-free dairy products that can be imported from CPTPP partners such as New Zealand.

In 2023, New Zealand and Canada reached an impasse – [viewed as a victory by both sides](#) – for open dairy market access in front of a panel of CPTPP arbitrators. The following year, the New Zealand government escalated the dispute to compulsory negotiations with the Government of Canada, a move [unprecedented within the CPTPP](#). Under CPTPP and WTO rules, New Zealand could impose tariffs on Canada to recuperate [several years of losses](#), cited to be as much as [C\\$166M](#) up to 2024. The Government of Canada has since responded by defending its dairy TRQ policies and committing to “[engage in the process in good faith.](#)”



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SINGAPORE

ABOUT

APF Canada's CPTPP Mini-Trade Report: SINGAPORE



- Building on our recent report, [The Impact of the CPTPP on Trade between Canada and the Asia Pacific](#), this mini-report focuses on Singapore – one of the seven 'AP7' economies (signatories to the CPTPP) in the Asia Pacific.
- This report explores the CPTPP's benefits for Canada's merchandise and service trade relations with Singapore at the national and sub-national level in the five years post-CPTPP ratification (from 2019 to 2023), with 2018 data for context.
- The report also identifies future trade opportunities for Canadian firms interested in expanding their presence in Singapore.
- Singapore ratified the CPTPP in July 2018 with Canada ratifying shortly after in December 2018.
- APF Canada will release CPTPP Mini-Trade Reports for five more AP7 economies – Australia, Japan, Malaysia, New Zealand, and Vietnam (except Brunei, for which there is limited data) – in the first quarter of 2025.

KEY TAKEAWAYS

- **Merchandise trade** between Canada and Singapore increased by 28%, from C\$2.5B in 2018 to over C\$3.1B in 2023. This relationship was marked by a slight trade surplus as Canada exported more goods to Singapore.
- **Service trade** increased by 33% from C\$3.2B in 2018 to C\$4.3B in 2023, with a large trade deficit as Canada imported more services from Singapore.
- **Ontario** and **Quebec** dominated Canada's merchandise trade with Singapore – accounting for 72% of the total five-year merchandise trade volume.
- Canadian businesses may find opportunities in Singapore's **agricultural**, **cleantech**, and **advanced manufacturing** sectors. They may also benefit from exporting **precious metals** and **aircraft parts** to Singapore.

Key Statistics, 2023

GDP (PURCHASING POWER PARITY):

C\$1130.59B

POPULATION:

5.9M

TOP FIVE TRADE PARTNERS:



China (Mainland)



United States



Malaysia



European Union



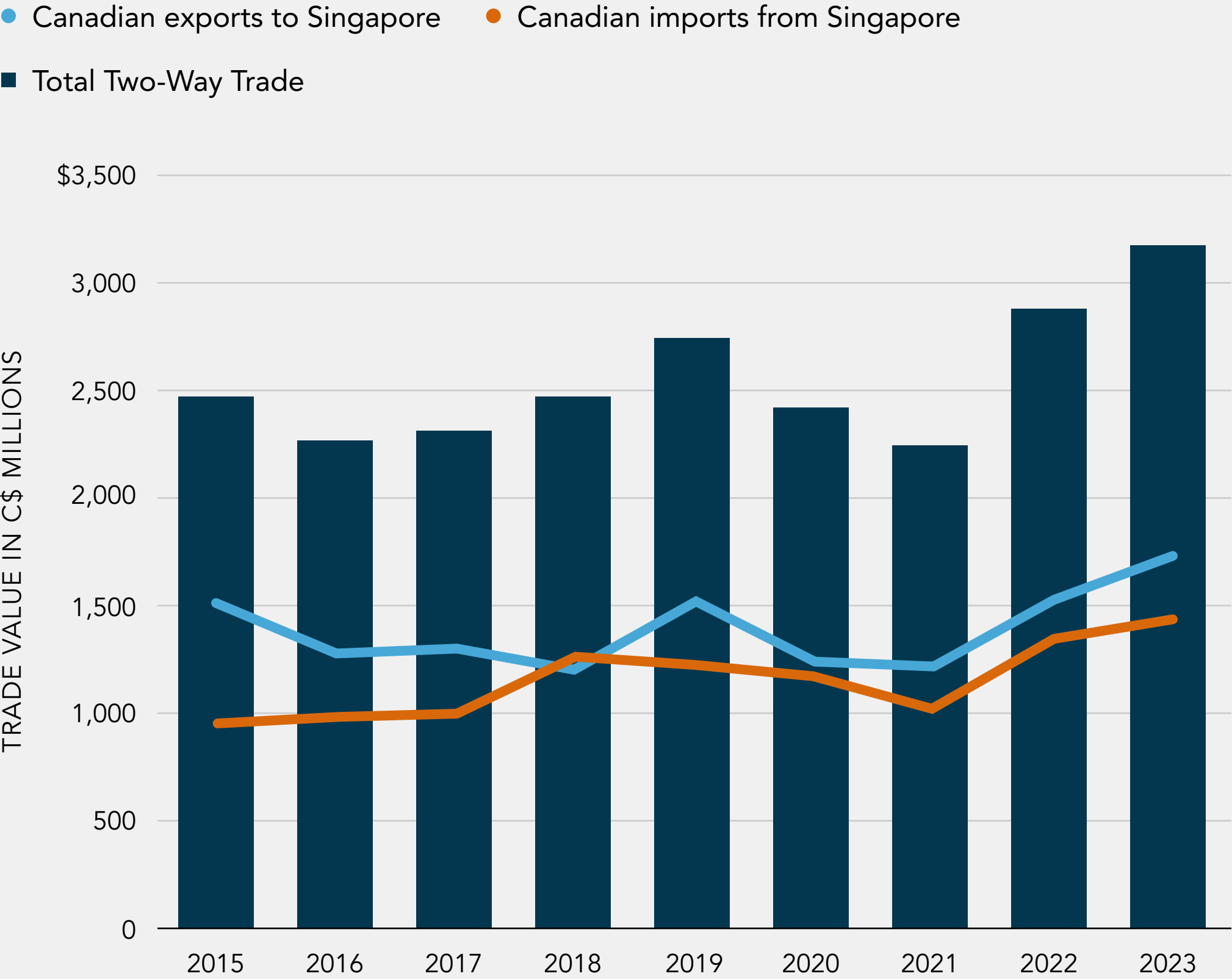
Taiwan

MERCHANDISE TRADE

Singapore is Canada’s **fifth largest merchandise trading partner** among the AP7. Since CPTPP ratification, Canada-Singapore two-way merchandise trade has grown at a year-on-year average of 6%, with trade increasing from around C\$2.5B in 2018 to over C\$3.1B in 2023 – amounting to C\$13.5B in the five years since the signing of the agreement (Figure 1).

While the pandemic led to a decline in merchandise trade, with trade falling by 12% from C\$2.8B in 2019

Figure 1: Canada-Singapore Two-Way Merchandise Trade, 2015-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

to C\$2.4B in 2020, this impact was short-lived; two-way trade returned to pre-pandemic levels in 2022, at over C\$2.8B (a 27.7% jump from the previous year).

Overall, Canada maintained a merchandise trade surplus with Singapore, with Canada’s exports to Singapore exceeding and growing faster on average than imports (despite the negative impacts of the pandemic on both) since ratification of the CPTPP (Figure 1).

Over the last five years, approximately half of all **Canadian exports** to Singapore comprised *aircraft and other transportation equipment and parts* (30%) and *electronic and electrical equipment* (20%), with these two categories accounting for C\$3.6B of Canada’s total merchandise exports to Singapore (Figure 2).

Canada’s imports of *electronic equipment* and *consumer goods* from Singapore have grown rapidly since CPTPP ratification. *Electronic equipment* imports accounted for 36%, or C\$2.2B, of total imports and were closely followed by *consumer goods*, comprising 29% of Canada’s imports and valued at C\$1.8B (Figure 3).

Figure 2: Canada’s Top Exports to Singapore, 2019-23

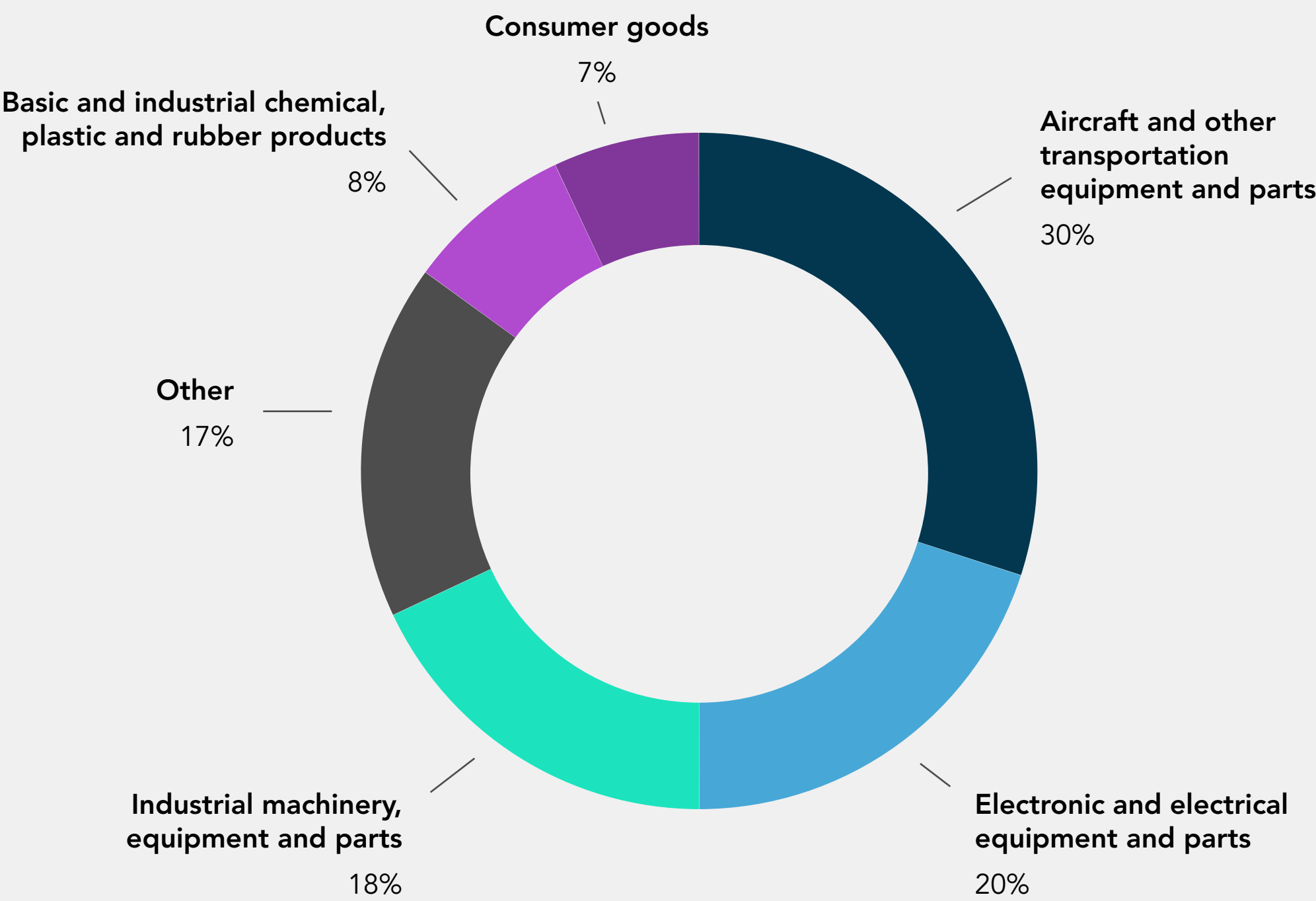
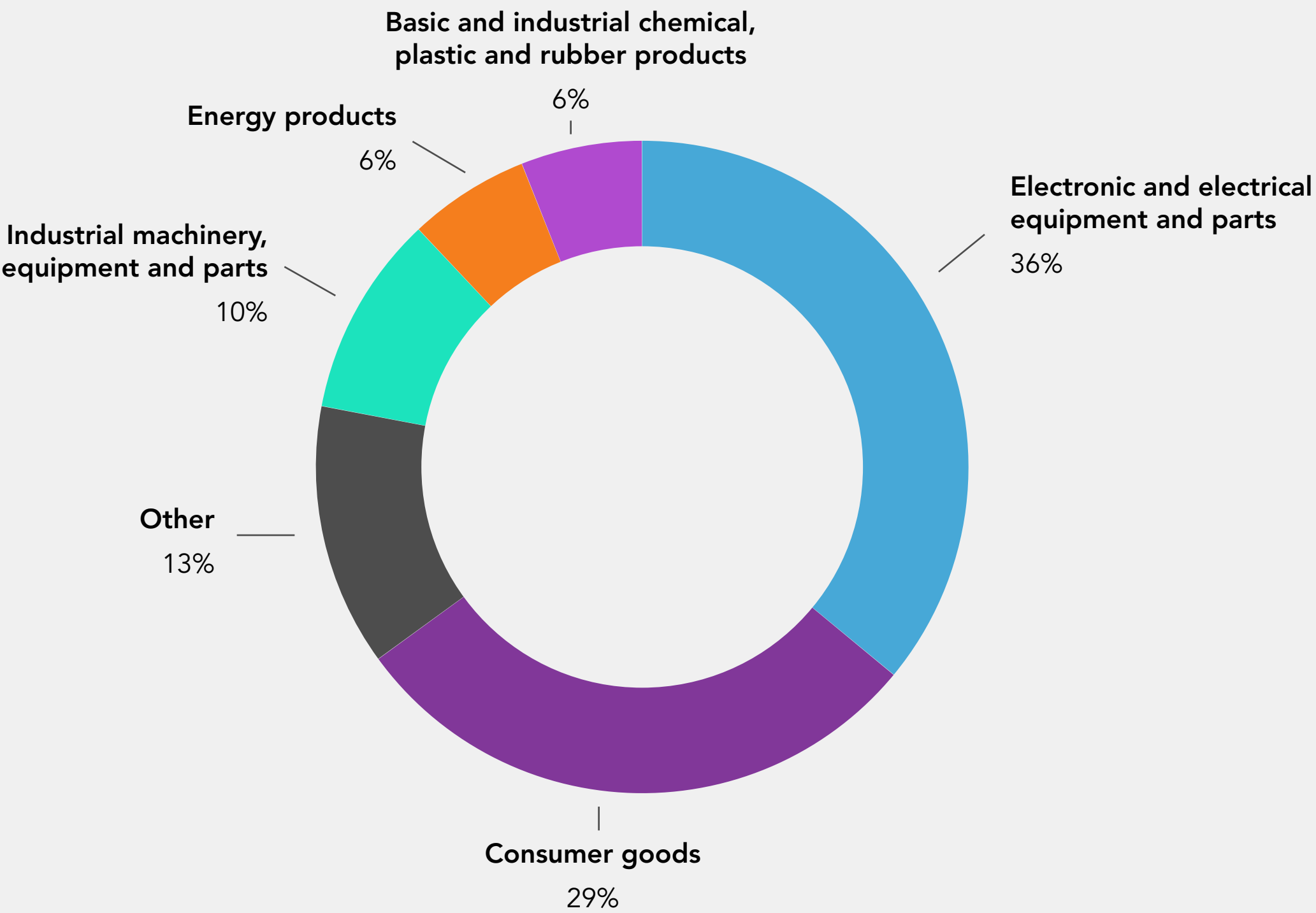


Figure 3: Canada’s Top Imports from Singapore, 2019-23



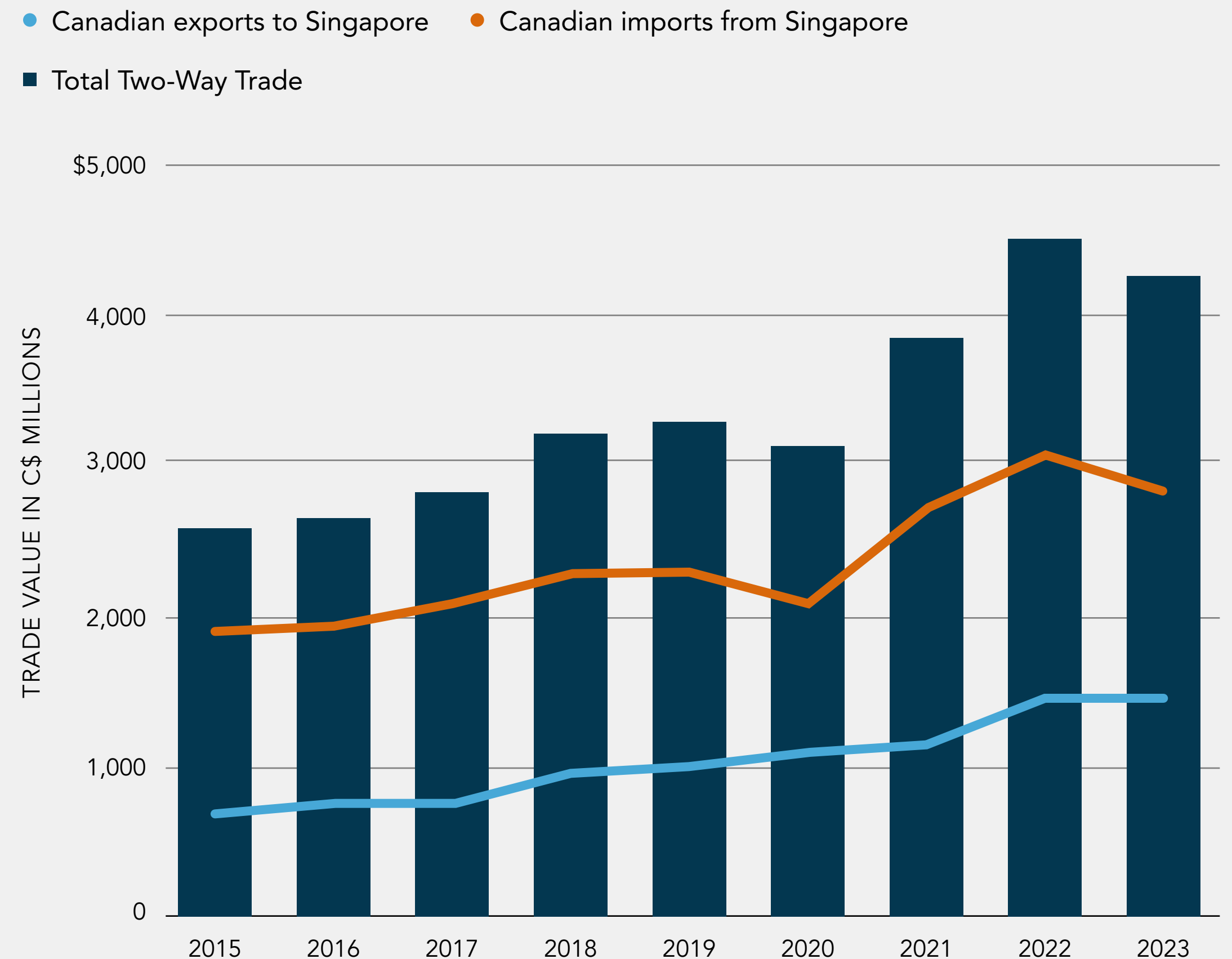
Source: Statistics Canada, 2024, Table 12-10-0171-01

SERVICES TRADE

Singapore is Canada's **second-largest services trading partner** among the AP7. Since CPTPP ratification, services trade increased on average by 6.5% year-over-year, from C\$3.2B in 2018 to C\$4.3B in 2023 (Figure 4). This relationship remained relatively resilient during the pandemic, with only a 5% decrease in service trade flows from 2019 to 2020 and normalization of trade in 2021 (exceeding pre-pandemic trade levels).

After CPTPP ratification, Canada maintained its services trade deficit with Singapore, with Canada's imports accounting for 68% of two-way trade (Figure 4).

Figure 4: Canada-Singapore Two-Way Services Trade, 2015-23



Source: Statistics Canada, 2024, Table 36-10-0007-01

From 2019 to 2023, Canada’s **imports** from Singapore were predominantly in the *transportation and government services* category, representing C\$10.6B, or 82% of total service imports (Table 1). 69% of Canada’s **exports** to Singapore fell under the *commercial services* category, accounting for C\$4.2B of total service exports over the past five years.

Services	Percentage of Total Service Exports to Singapore, 2019-2023	Percentage of Total Service Imports From Singapore, 2019-2023
Commercial	69%	16%
Travel	5%	2%
Transportation and government services	26%	82%

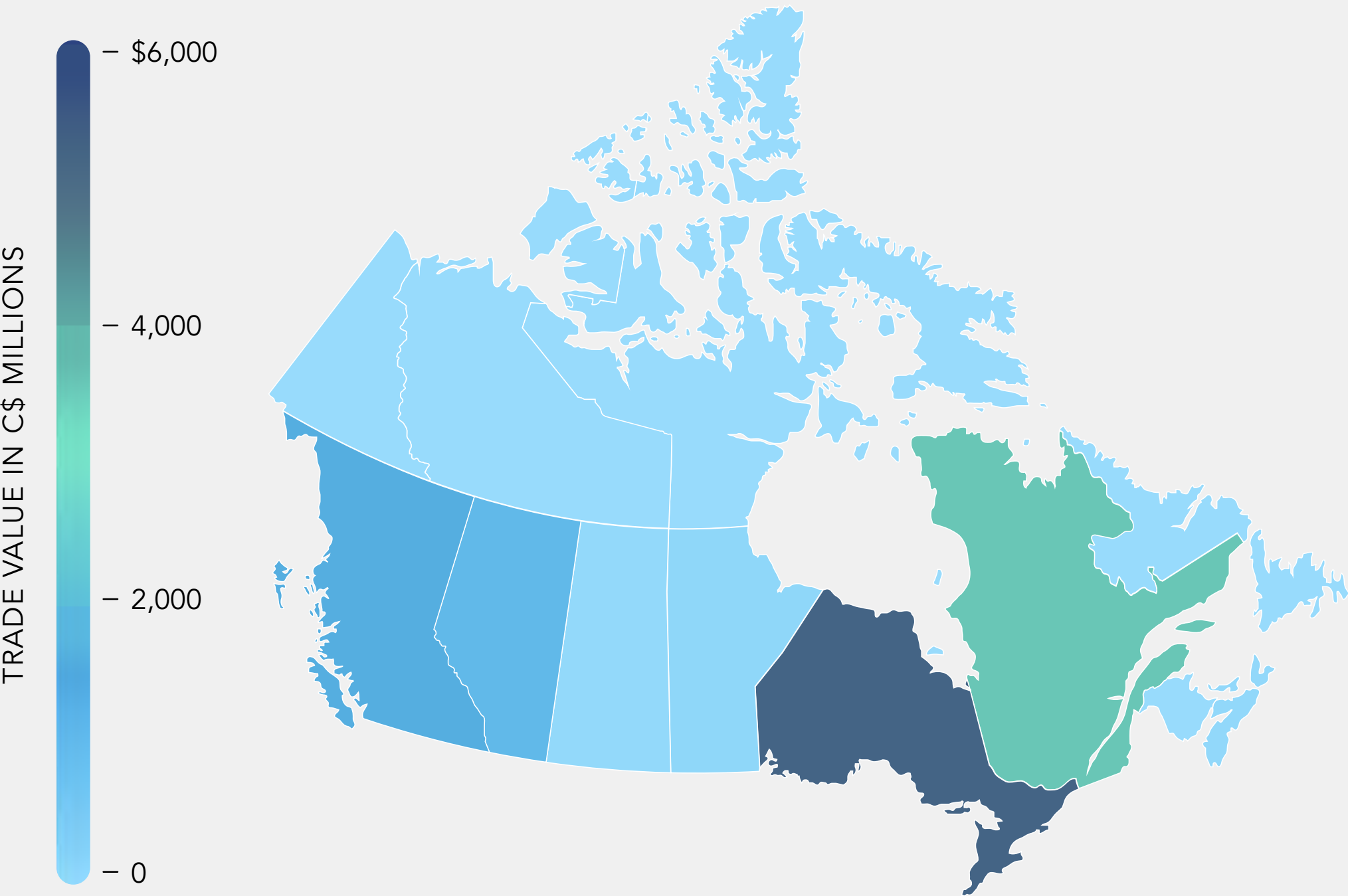
Source: Statistics Canada, 2024, Table 36-10-0007-01

PROVINCES BENEFITING FROM CANADA-SINGAPORE TRADE

Ontario and **Quebec** are undeniable beneficiaries of Canada-Singapore merchandise trade, accounting for 72% of Canada’s trade with the country in the five years post-CPTPP ratification (Figure 5).

British Columbia, Alberta, and Manitoba also ranked among Singapore’s top five provincial trade partners.

Figure 6: Canadian Provinces Two-Way Trade with Singapore, 2019-23



Source: Statistics Canada, 2024, Table 12-10-0173-01

SINGAPORE’S TOP FIVE PROVINCIAL PARTNERS:

Ontario
\$5,027

Quebec
\$3,575

British Columbia
\$1,711

Alberta
\$1,250

Manitoba
\$137

Ontario's trade with Singapore has on average, grown year-on-year by 6.5% since CPTPP ratification, mostly based on increasing imports of *electronic equipment and consumer goods*. The province has also been an important source of *aircraft and other transportation equipment* to Singapore, which, although negatively impacted by the pandemic, exceeded pre-pandemic trade levels in 2023.

Quebec experienced a rapid average year-over-year growth rate of 11% in merchandise trade with Singapore. This trade relationship can be characterized by high growth and high volatility – Quebec's pandemic recovery revealed a 60.7% growth in trade with Singapore, from C\$516M in 2021 to approximately C\$830M in 2022, largely driven by exports to Singapore. Key export sectors were boosted by post-pandemic trade

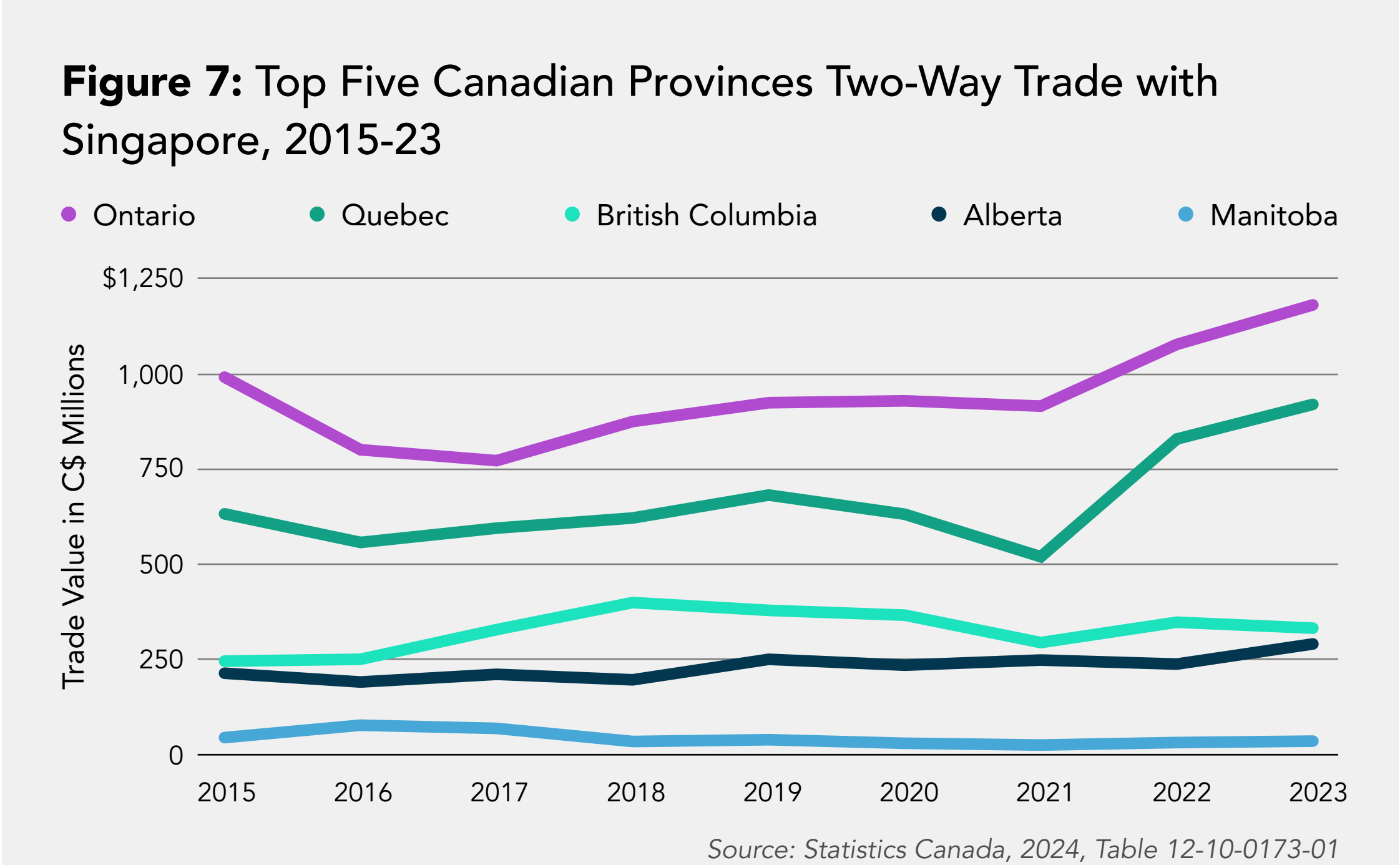
recovery in 2022 compared to the previous year, such as *electronic and electrical equipment and parts* (increasing by 84%) and *aircraft and other transportation equipment and parts* (increasing by 62%).

Despite **British Columbia's** growing presence in Singapore with a localized [trade office](#) and a dedicated [2023](#)

[Trade Diversification Strategy](#) that lists the city-state as one of the priority markets to deepen trade and investment relations, British Columbia has not benefited from CPTPP-driven tariff reductions with Singapore. In fact, its trade with Singapore steadily decreased from 2019 to 2023, with higher provincial trade flows prior to

CPTPP ratification. British Columbia has reduced its imports of *energy products* – historically its largest imports from Singapore – from around C\$155M in 2019 to C\$0 in 2022. [Energy imports from Singapore were phased out from 2018 to 2022](#), replaced by imports from the U.S. and other CPTPP partners like Australia and South Korea.

Both **Alberta and Manitoba** experienced minimal growth after the ratification of the CPTPP, with the former benefiting slightly more than the latter from the FTA. Alberta has a dedicated [trade office](#) in the city-state and does not have a provincial-level trade strategy for the Indo-Pacific region. Conversely, Manitoba neither has a local trade office presence nor a strategy to engage with Singapore, leaving much room for future engagement.



TRADE OPPORTUNITIES



Canada-Singapore trade flows have risen steadily in the five years since CPTPP ratification, paving the way for large-scale trade and investment flows. One such example is Bombardier, a Montreal-based transport and aircraft manufacturer, which made its first entry into Singapore and the Asia Pacific region in 2014. Following the implementation of the CPTPP agreement, Bombardier's Singapore Services Centre at Seletar Aerospace

Park quadrupled its footprint with an investment of approximately [C\\$83M](#) and an expansion of its presence throughout the city-state with contracts awarded in [2018](#) and [2020](#) from Singapore's Land Transport Authority amounting to approximately C\$1.5B for the delivery and maintenance of new train cars for Singapore's local metro rail service fleet.

There is an abundance of market opportunities for Canadian businesses in Singapore. According to the International Trade Center's [Export Potential Map](#), promising export opportunities are in finished consumer goods containing precious metals – which represents a trade potential valued at approximately C\$185M – and further exports of powered aircraft and turbojet engines, which, if realized, could add an estimated combined trade value of nearly C\$177M.

[Export Development Canada](#) also highlights agri-food, agri-tech, cleantech, and advanced manufacturing as key sectors for Canadian exporters to the city-state. Canada's position as a [global leader in the mining industry](#) and Singapore's focus on [R&D and innovation financing](#) also indicates complementary activities in these overlapping sectors, implying synergies between the two countries.

By Xueming Wang,
Research Scholar –
International Trade
and Investment

VIETNAM

ABOUT

APF Canada's CPTPP Mini-Trade Report: VIETNAM

- Building on our recent report, [The Impact of the CPTPP on Trade between Canada and the Asia Pacific](#), this mini-report focuses on Vietnam – one of the seven 'AP7' economies (signatories to the CPTPP) in the Asia Pacific.
- This report explores the CPTPP's benefits for Canada's merchandise and service trade relations with Vietnam at the national and sub-national level in the five years post-CPTPP ratification (from 2019 to 2023), with 2018 data for context. The report also identifies future trade opportunities for Canadian firms interested in expanding their presence in Vietnam.
- Canada ratified the CPTPP in December 2018 with Vietnam ratifying shortly after in January 2019.
- This is one of the six reports released by APF Canada in the first quarter of 2025 - the other reports were focused on [Singapore](#), [Australia](#), [Japan](#), [Malaysia](#), and [New Zealand](#) (excluding Brunei due to limited data).



KEY TAKEAWAYS

- Vietnam-Canada **merchandise trade** grew by 76% from C\$7.9B in 2019 to C\$14B in 2023, led by an increase in Canadian imports, resulting in a widening Canadian trade deficit.
- Despite the decline in **services trade** during the pandemic, Canada-Vietnam services trade increased by 17% from C\$878M in 2019 to over C\$1B in 2023, led by the growth in Canadian exports, resulting in a positive trade balance for Canada.
- **Ontario** emerged as the primary beneficiary of Canada-Vietnam two-way merchandise trade, followed by **British Columbia** and **Quebec** as the second and third largest beneficiaries. In 2023, Ontario alone accounted for 60% of Canada-Vietnam merchandise trade.
- Key sectors with untapped trade opportunities in Vietnam for Canadian exporters include **advanced manufacturing, agriculture, food and beverages, clean technology, information and communication technologies, and infrastructure.**

Key Statistics, 2023

GDP (PURCHASING POWER PARITY):

C\$2.03T

POPULATION:

100.4M

TOP FIVE TRADE PARTNERS:



China



United States



Japan



Hong Kong



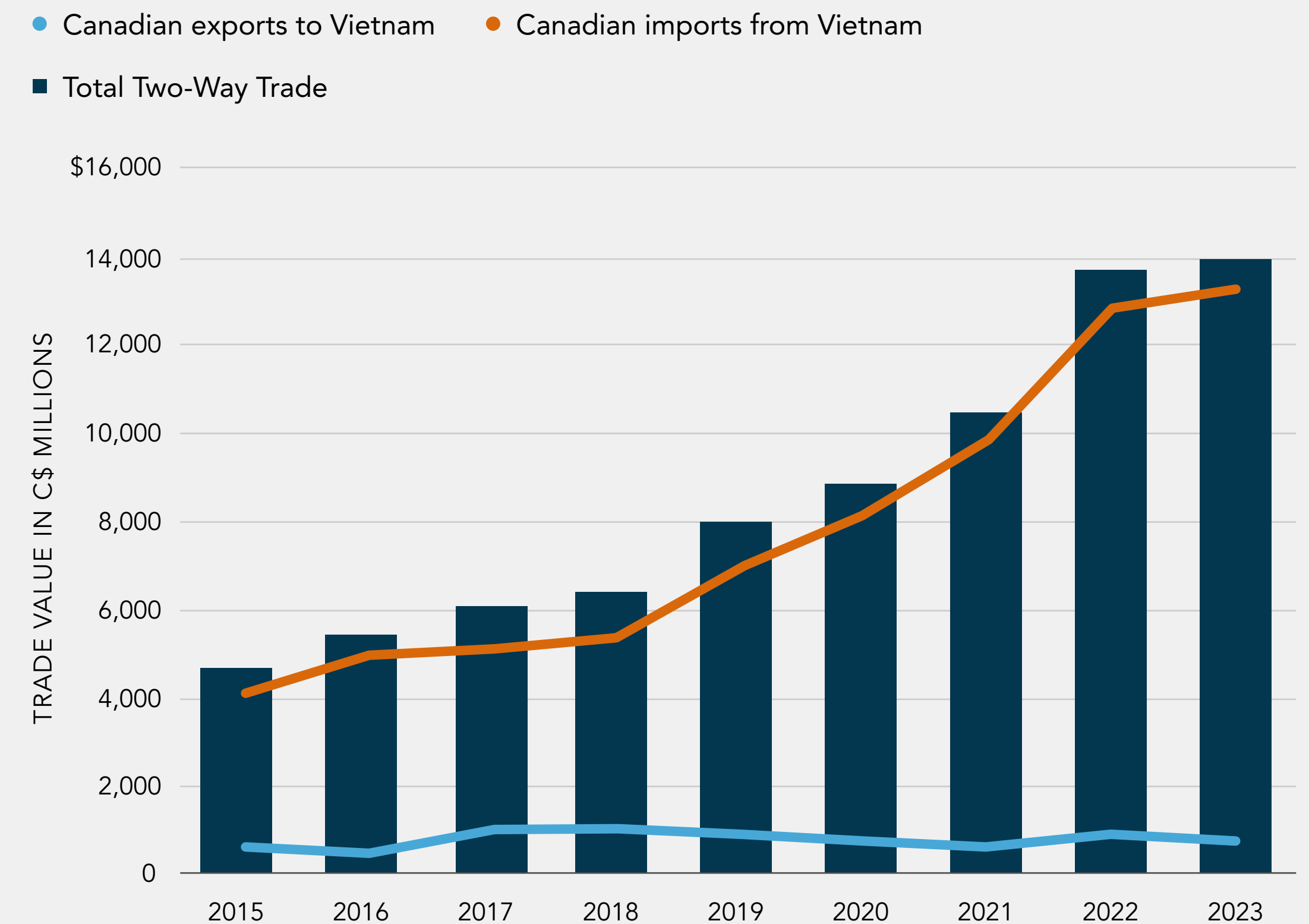
Singapore

MERCHANDISE TRADE

Vietnam is Canada's **second-largest merchandise trade partner** among the Asia Pacific members of the CPTPP. Since Vietnam's ratification of the CPTPP in January 2019, Canada-Vietnam two-way merchandise trade has grown by 76%, from around C\$8B in 2019 to over C\$14B in 2023 (Figure 1).

The growth, which was not negatively impacted by the pandemic, was predominantly driven by Canadian imports from Vietnam, leading to widening Canadian trade deficit.

Figure 1: Canada-Vietnam Two-Way Merchandise Trade, 2015-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Figure 2: Canada’s Top Exports to Vietnam, 2019-23

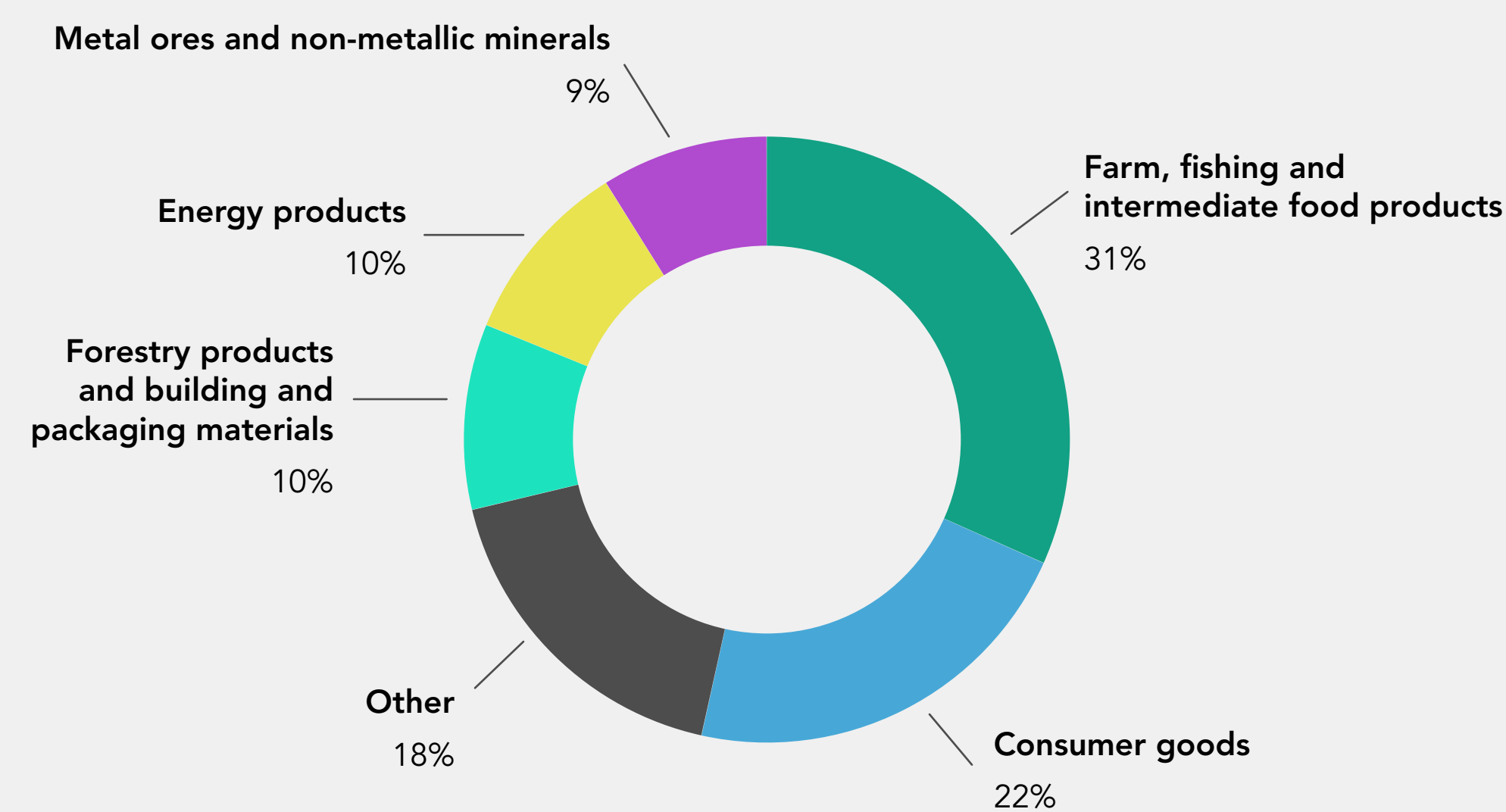
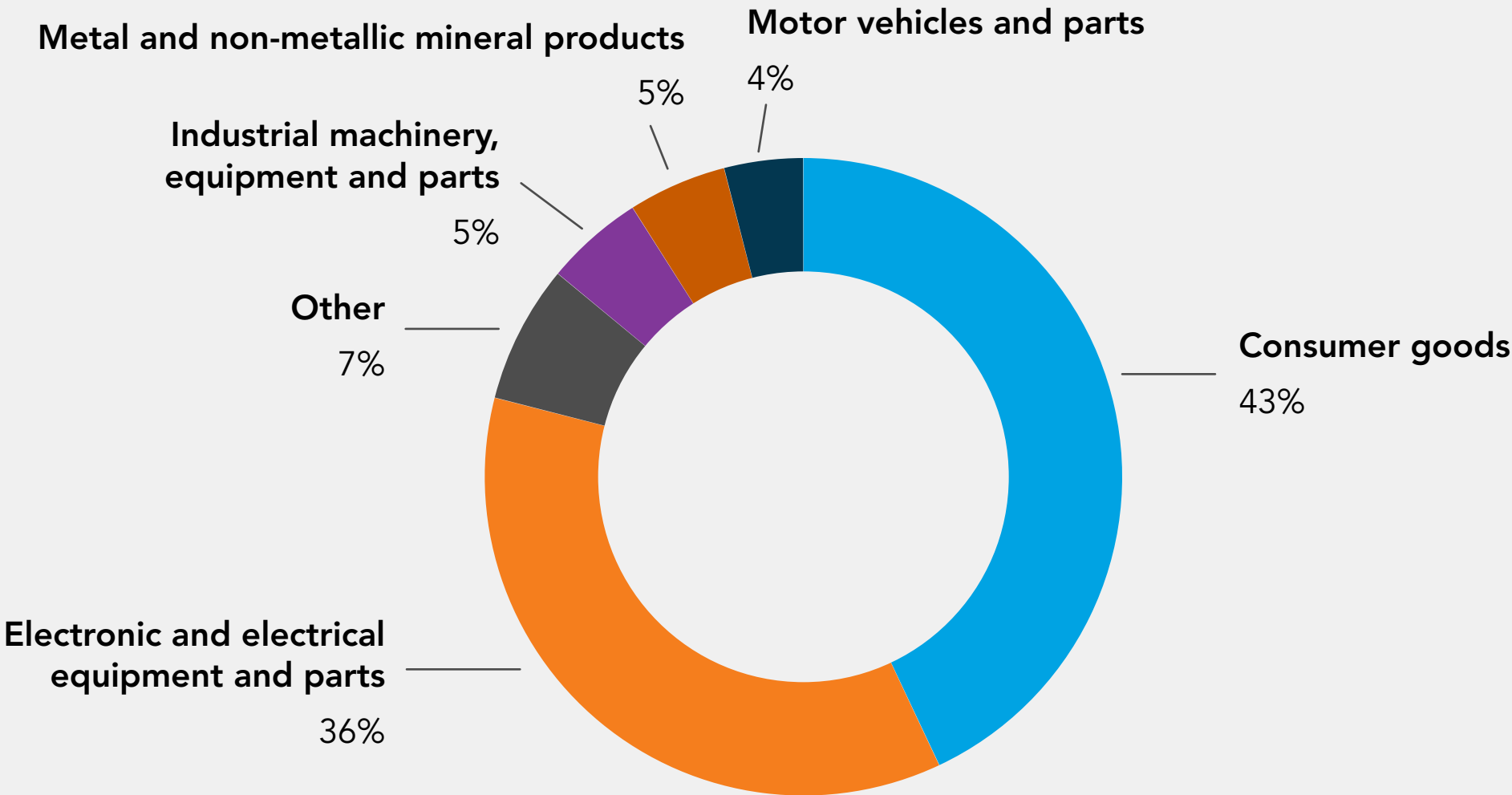


Figure 3: Canada’s Top Imports from Vietnam, 2019-23



Source: Statistics Canada, 2024, Table 12-10-0171-01

Over the past five years, **Canadian exports** to Vietnam have on average decreased, from C\$960M in 2019 to C\$747M in 2023. Canada’s major exports to the region were *farm, fishing, and intermediate food products*, which accounted for

approximately C\$1.2B, or 31.5% of Canada’s total merchandise exports to Vietnam. *Consumer goods* were Canada’s second-largest exports to Vietnam, totaling around C\$843M and accounting for 22% of total trade (Figure 2).

After the CPTPP’s ratification, *consumer goods* and *electronic and electrical equipment and parts* were **Canada’s primary imports** from Vietnam, with around C\$22.2B in *consumer goods* and approximately C\$18.3B in *electronic and electrical*

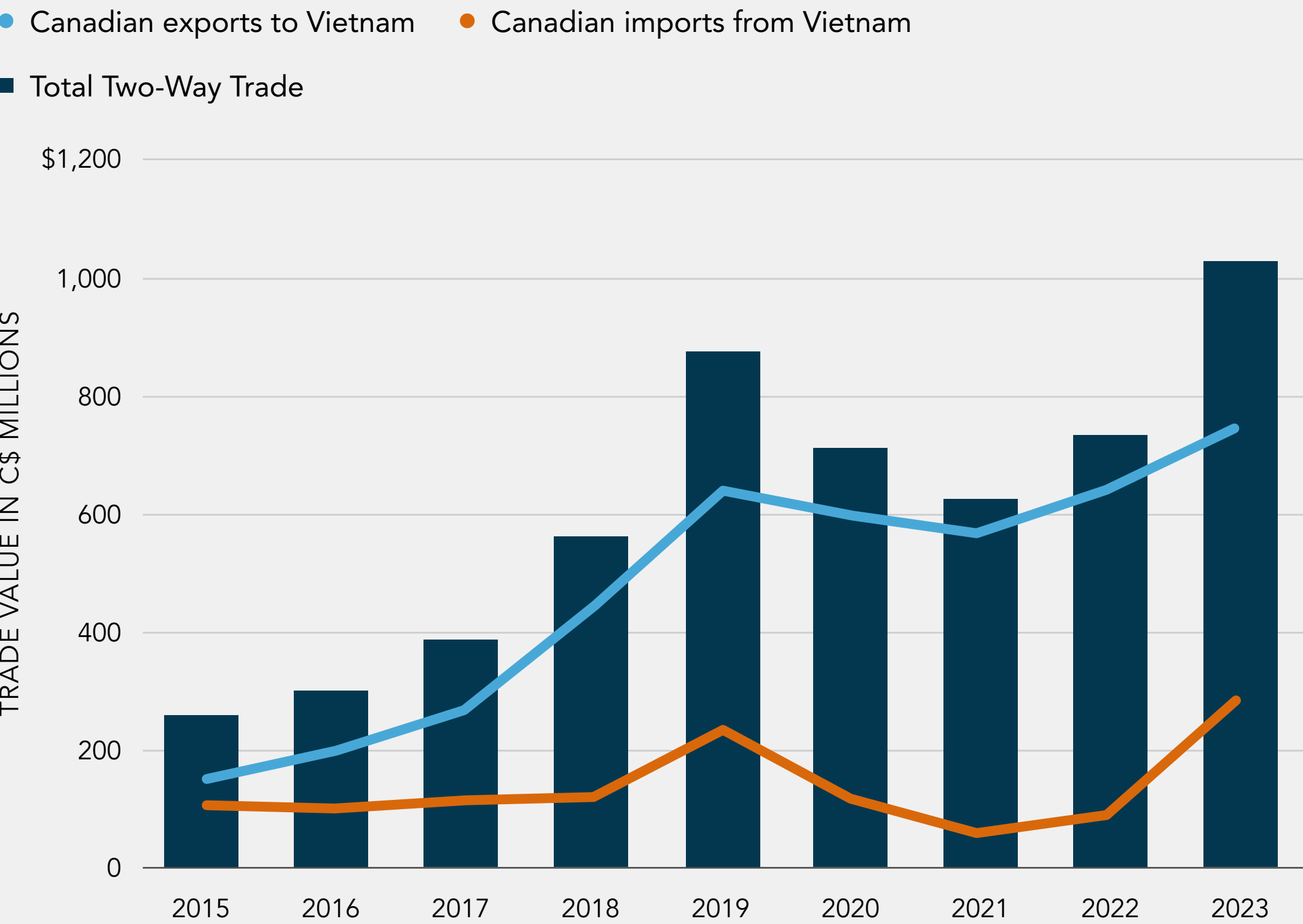
equipment and parts. These two product categories accounted for almost 80% of Canada’s imports from Vietnam in the last five years (Figure 3).

SERVICES TRADE

Vietnam is ranked as Canada’s **fourth-largest services trade partner in the region**, generating over C\$3.99B in bilateral services trade the last five years. While services trade declined during the pandemic, it rebounded in 2022 and by 2023 exceeded pre-pandemic growth levels, with over C\$1B generated by services trade that year (Figure 4).

In contrast to merchandise trade, two-way services trade between Canada and Vietnam over the last five years has been dominated by **Canadian services exports** to Vietnam (Figure 4), which accounted for about 80% of the total two-way services trade, leading to a Canadian trade surplus.

Figure 4: Canada-Vietnam Two-Way Services Trade, 2015-23



Source: Statistics Canada, 2024, Table 36-10-0007-01

Since the ratification of the CPTPP, **Canadian services exports** to Vietnam have been driven by exports of Canadian *travel* services, which amounted to C\$2.8B, representing almost 89% of Canada’s services exports to Vietnam. *Travel* has also dominated **Canada’s imports from Vietnam**, with a value of C\$515M and accounting for 65% of the total imported services from Vietnam (Table 1). While the pandemic impacted travel services, leading to a drop in *travel* in 2021, 2023 *travel* services exceeded pre-pandemic levels for both *travel* imports and exports.

TABLE 1

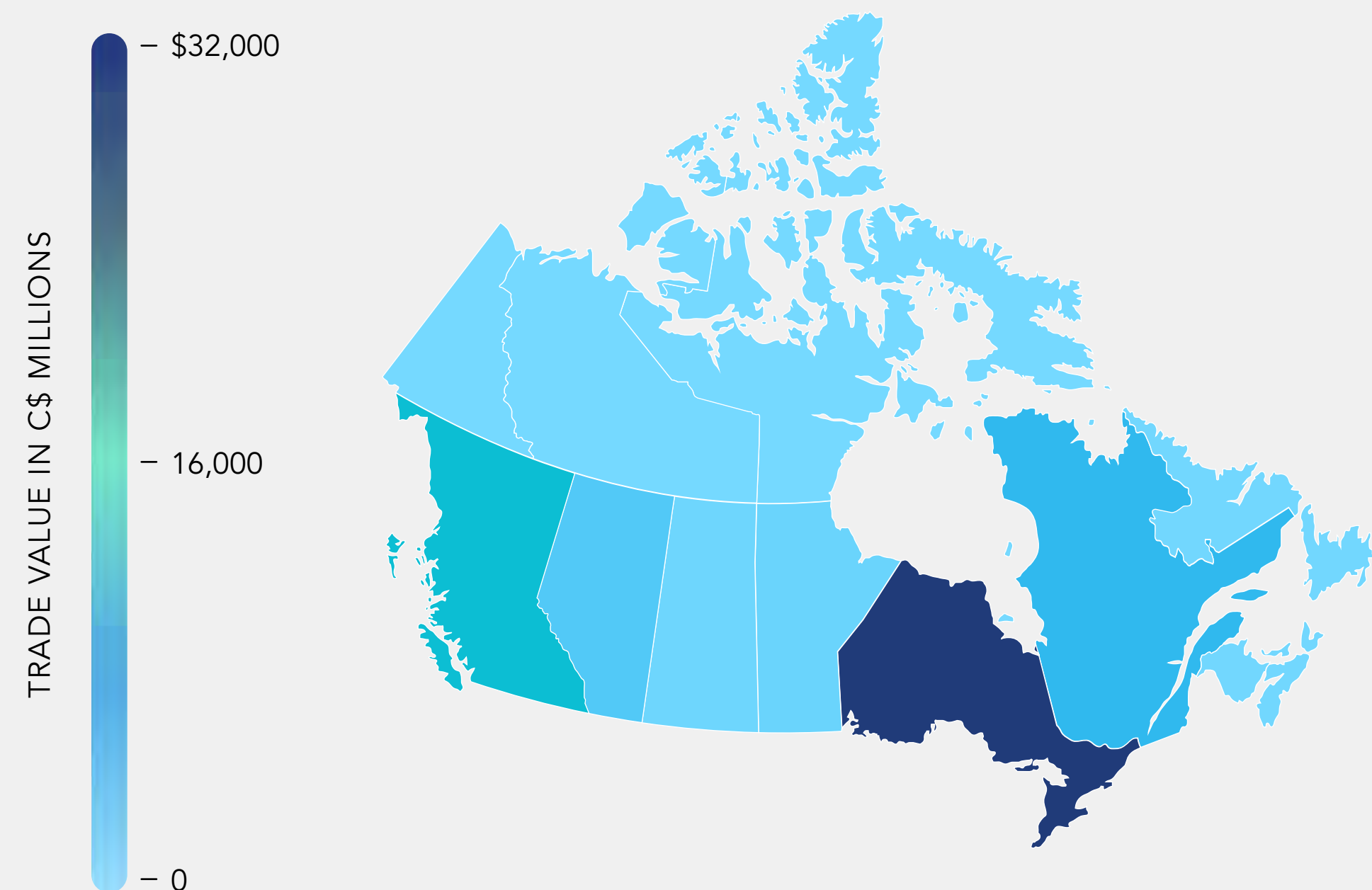
Services	Percentage of Total Service Exports to Vietnam, 2019-23	Percentage of Total Service Imports From Vietnam, 2019-23
Commercial	8%	29%
Travel	89%	65%
Transportation and government services	3%	5%

Source: Statistics Canada, Table 36-10-0007-01

PROVINCES BENEFITING FROM CANADA-VIETNAM TRADE

Since CPTPP ratification, **Ontario** has been the main beneficiary of merchandise trade between Canada and Vietnam, accounting for 57% of Canada-Vietnam merchandise trade. **British Columbia** and **Quebec** ranked as the second and third largest beneficiaries, accounting for 23% and 10% of two-way trade, with **Alberta** and **Manitoba** rounding Vietnam's top five trade partners (Figure 5).

Figure 5: Canadian Provinces Two-way Merchandise Trade with Vietnam, 2019-23



Source: Statistics Canada: Table: 12-10-0173-01

VIETNAM'S TOP FIVE
PROVINCIAL PARTNERS:

Ontario

C\$31,188M

British Columbia

C\$12,896M

Quebec

C\$5,532M

Alberta

C\$2,905M

Manitoba

C\$899M

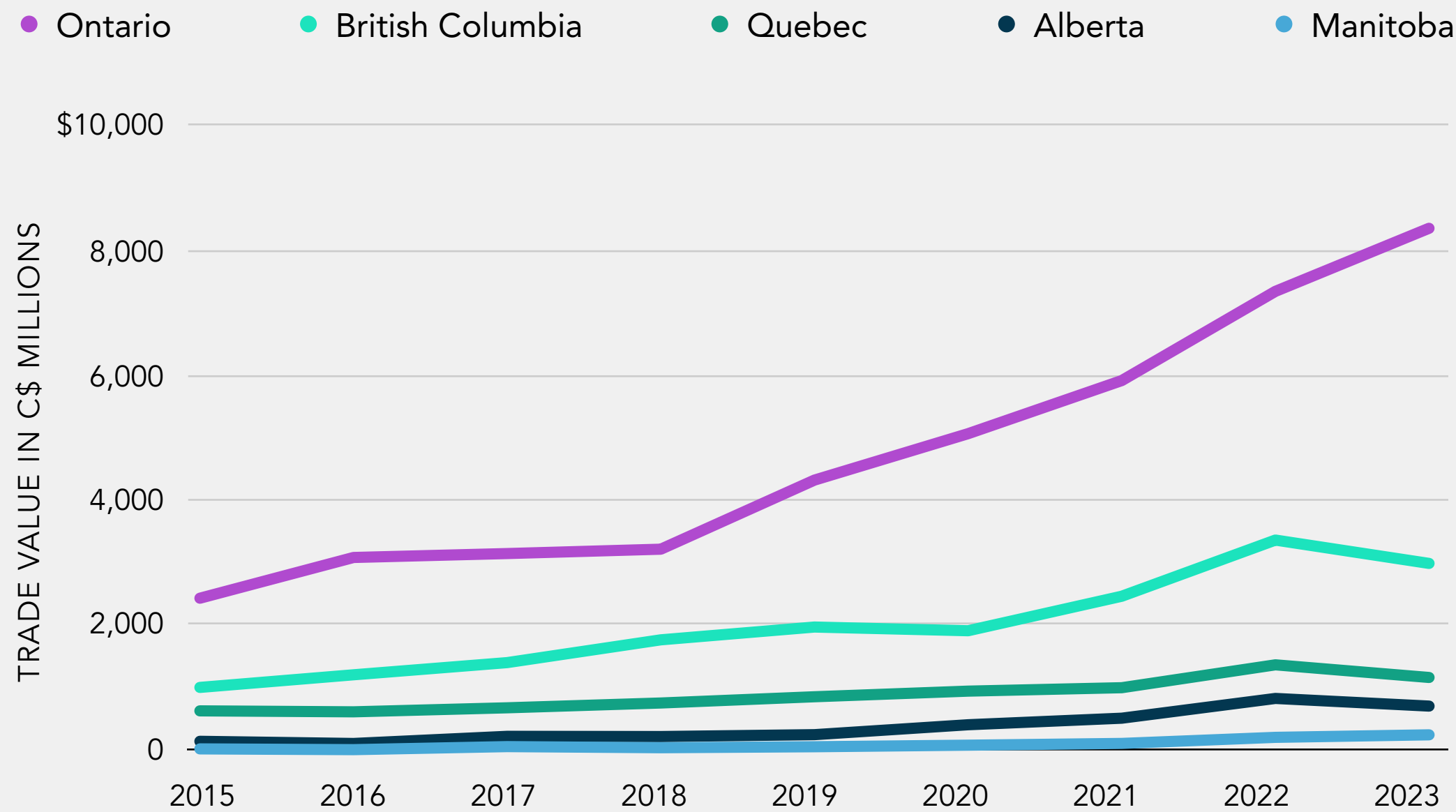
Ontario's trade with Vietnam has skyrocketed since CPTPP ratification, reaching nearly C\$8.4B in 2023, representing around 60% of Canada's total trade with Vietnam (Figure 6). Imports dominated Ontario's trade with Vietnam, accounting for over 97% (C\$30.5B) of the two-way trade from 2019 to 2023. *Electronic and electrical equipment* were Ontario's largest imports, accounting for over 46% of Ontario's imports from Vietnam in the past five years, while *farm, fishing, and intermediate food products* made up over half of Ontario's exports to Vietnam.

British Columbia and **Quebec** have been key markets for Vietnamese products, with imports accounting for about 94% and 89% of their two-way trade with Vietnam over the past five years. Although

imports grew steadily after the CPTPP ratification, they declined in both provinces in 2023, driven by a drop in British Columbia's and Quebec's imports of *metals and mineral products* and *consumer*

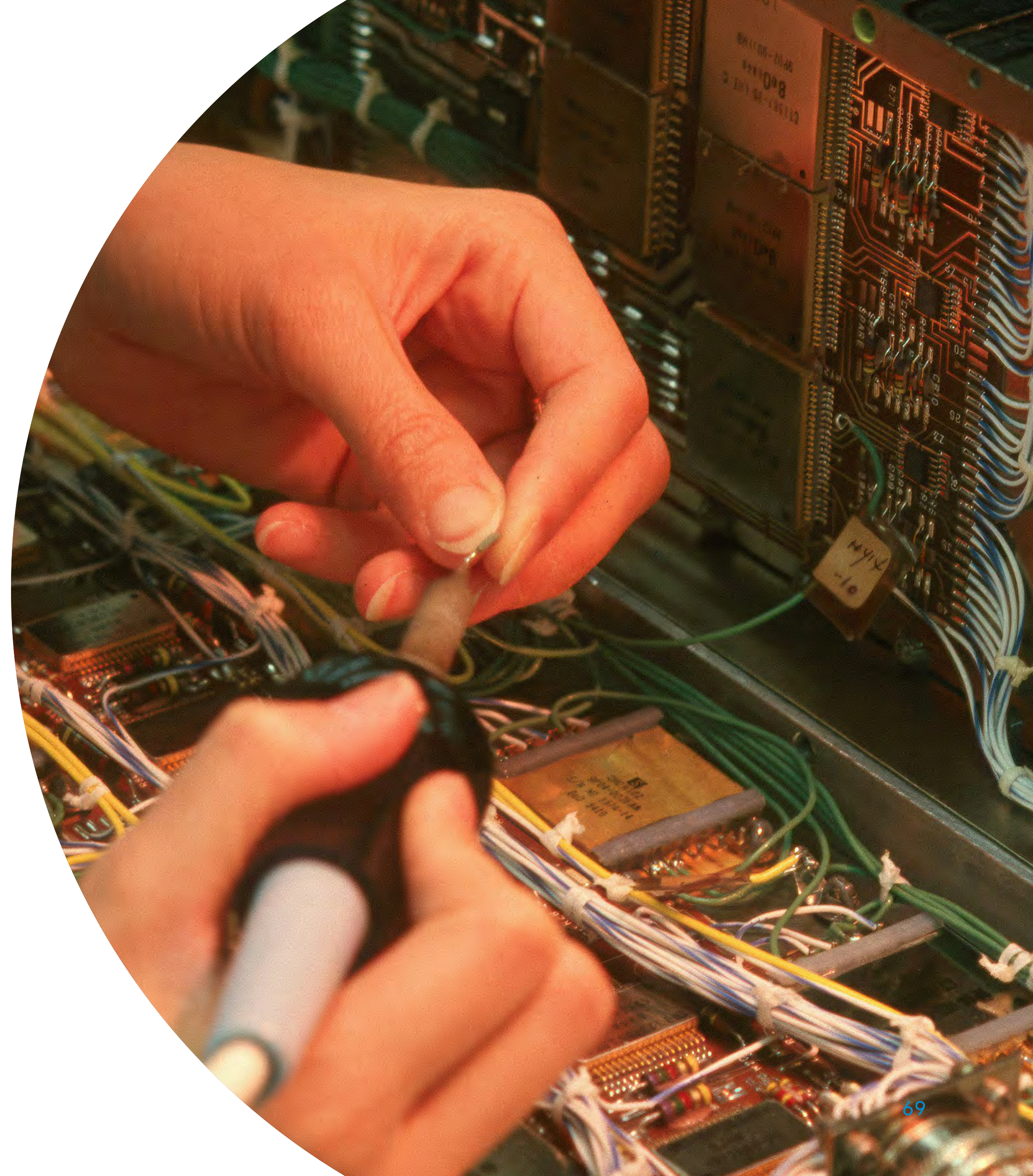
goods from Vietnam. The declines in the two provinces' imports from Vietnam in 2023 can be attributed to [lower commodity prices](#), driven by the easing of supply disruptions as global markets adjusted to Russia's invasion of Ukraine. *Consumer goods* made up over half of their imports from Vietnam. On the exports side, British Columbia's *energy-related products* accounted for nearly 40% of its exports to Vietnam, while Quebec's *consumer goods* made up 43% of its exports to Vietnam.

Figure 6: Canadian Provinces Two-Way Trade with Vietnam, 2015-23



Source: Statistics Canada: Table: 12-10-0173-01

Alberta and **Manitoba's** trade with Vietnam has been largely import-driven since the CPTPP ratification. From 2019 to 2023, imports made up about 73% of Alberta's trade with Vietnam, led by *electronic and electrical equipment and parts*, which accounted for 42% of its total imports. In Manitoba, imports comprised around 90% of its trade with Vietnam, with *consumer goods* making up over 43% of its imports. *Consumer goods* were Alberta's main exports to Vietnam, while Manitoba primarily exported *farm, fishing, and intermediate food products*.



TRADE OPPORTUNITIES



Since the ratification of the CPTPP, Vietnam-Canada two-way merchandise and services trade has grown significantly, benefitting from lower tariffs under the trade deal. According to

[Export Development Canada](#), there are still untapped opportunities for Canadian exporters in Vietnam's key sectors, including *advanced manufacturing, agriculture, food and beverages, clean technology,*

information and communication technologies, and infrastructure.

The International Trade Centre's [Export Potential Map](#) highlights significant export opportunities

in Vietnam for Canadian products such as *coniferous wood, potassium chloride (used as fertilizer), and wheat and meslin*, with the export potential estimated at C\$162 million.

ABOUT APF CANADA

The Asia Pacific Foundation of Canada (APF Canada) is an independent, not-for-profit organization focused on Canada's relations with Asia. Our mission is to be Canada's catalyst for engagement with Asia and Asia's bridge to Canada.

APF Canada is dedicated to strengthening ties between Canada and Asia through its research, education, and convening activities, such as the Canada-in-Asia Conference series, our Women's Business Missions to Asia, and the APEC-Canada Growing Business Partnership project fostering sustainable inclusive growth and poverty reduction. APF Canada also works with business, government, and academic stakeholders to provide Asia Competency training for Canadian organizations and students.

Our research provides high-quality, relevant, and timely information, insights, and perspectives on Canada-Asia relations for Canadians and stakeholders across the Asia Pacific. Our research work also includes regular Insights, Dispatches, Reports & Policy Briefs, Strategic Reflections, Case Studies, Explainers, and a weekly Asia Watch tracking the latest news on Asia that matters to Canada.

