Canadian Chamber of Commerce | Chambre de Commerce du Canada

Business Data Lab | Laboratoire de données sur les entreprises

The Art of the *International* Deal

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OUTLINE

TOOLS

➤ **Partners in Prosperity report**

➤ **Canada-U.S. Trade Tracker**

➤ **U.S. and Canadian cities dependence**

➤ **Blogs:**
- Monthly Canadian trade data commentaries
- Let's keep trade moving
- Return of the "tariff man"
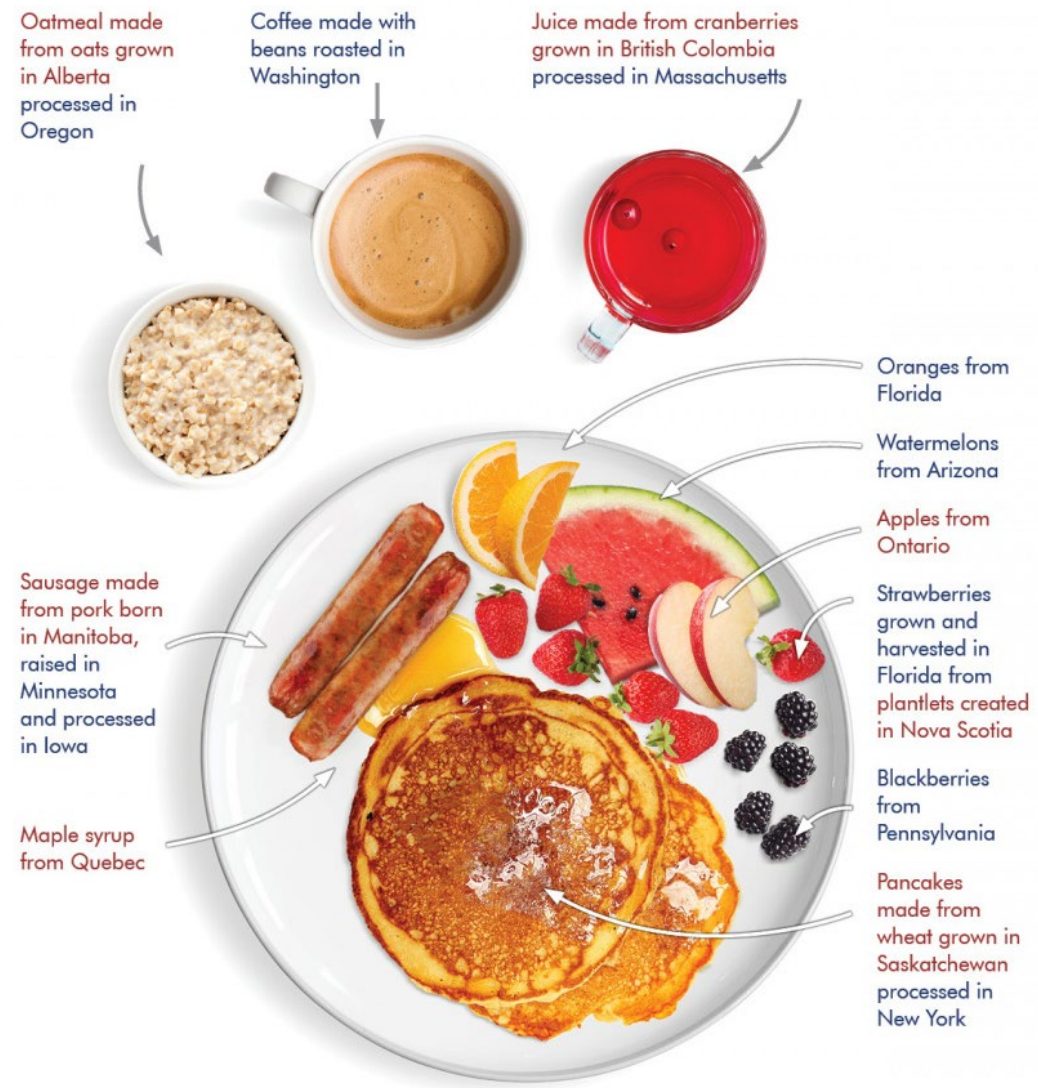- Back to the future: steel and aluminum tariffs
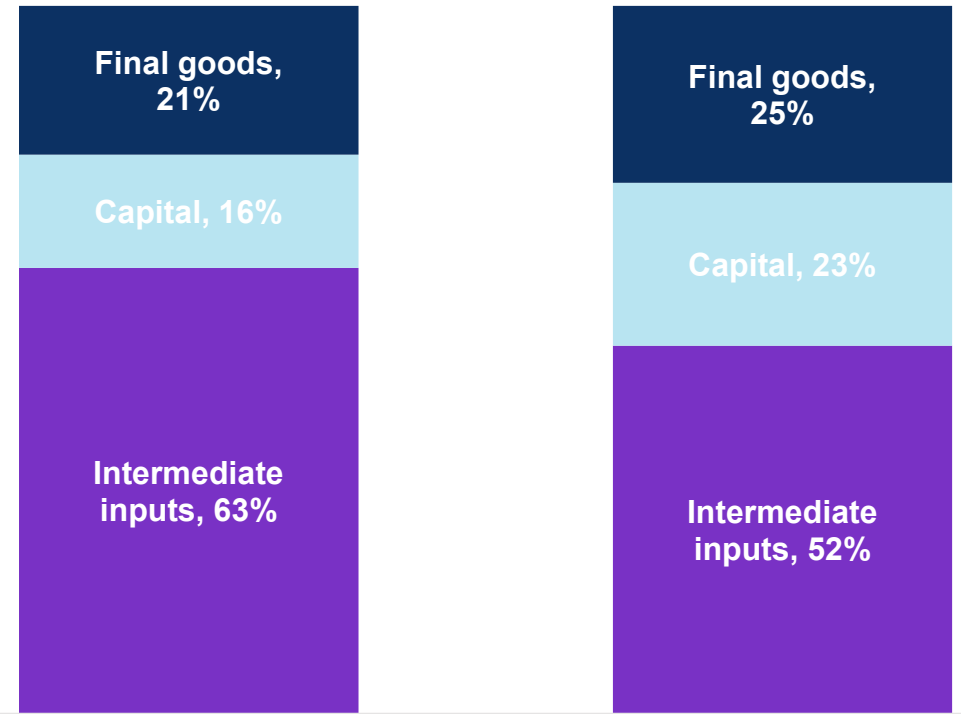

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Canada-U.S. integration

WE MAKE THINGS TOGETHER

Oatmeal made from oats grown in Alberta processed in Oregon

Coffee made with beans roasted in Washington

Juice made from cranberries grown in British Colombia processed in Massachusetts

Oranges from Florida

Watermelons from Arizona

Apples from Ontario

Strawberries grown and harvested in Florida from plantlets created in Nova Scotia

Blackberries from Pennsylvania

Sausage made from pork born in Manitoba, raised in Minnesota and processed in Iowa

Maple syrup from Quebec

Pancakes made from wheat grown in Saskatchewan processed in New York

Broad economic categories of Canada-U.S. trade
% of total, 2023

Final goods, 21%

Capital, 16%

Intermediate inputs, 63%

Canadian exports to the U.S.

Final goods, 25%

Capital, 23%

Intermediate inputs, 52%

U.S. exports to Canada

Sources: Agriculture and Agri-food Canada, Statistics Canada.

Tariff-ied

EXPORTERS LOSE THEIR OPTIMISM EDGE, TRAILING OTHER BUSINESSES.

Business Expectations Index, difference between goods exporters and all businesses

Difference in sentiment between exporters and all businesses. Positive values mean exporters are more optimistic; negative values mean they are less optimistic.
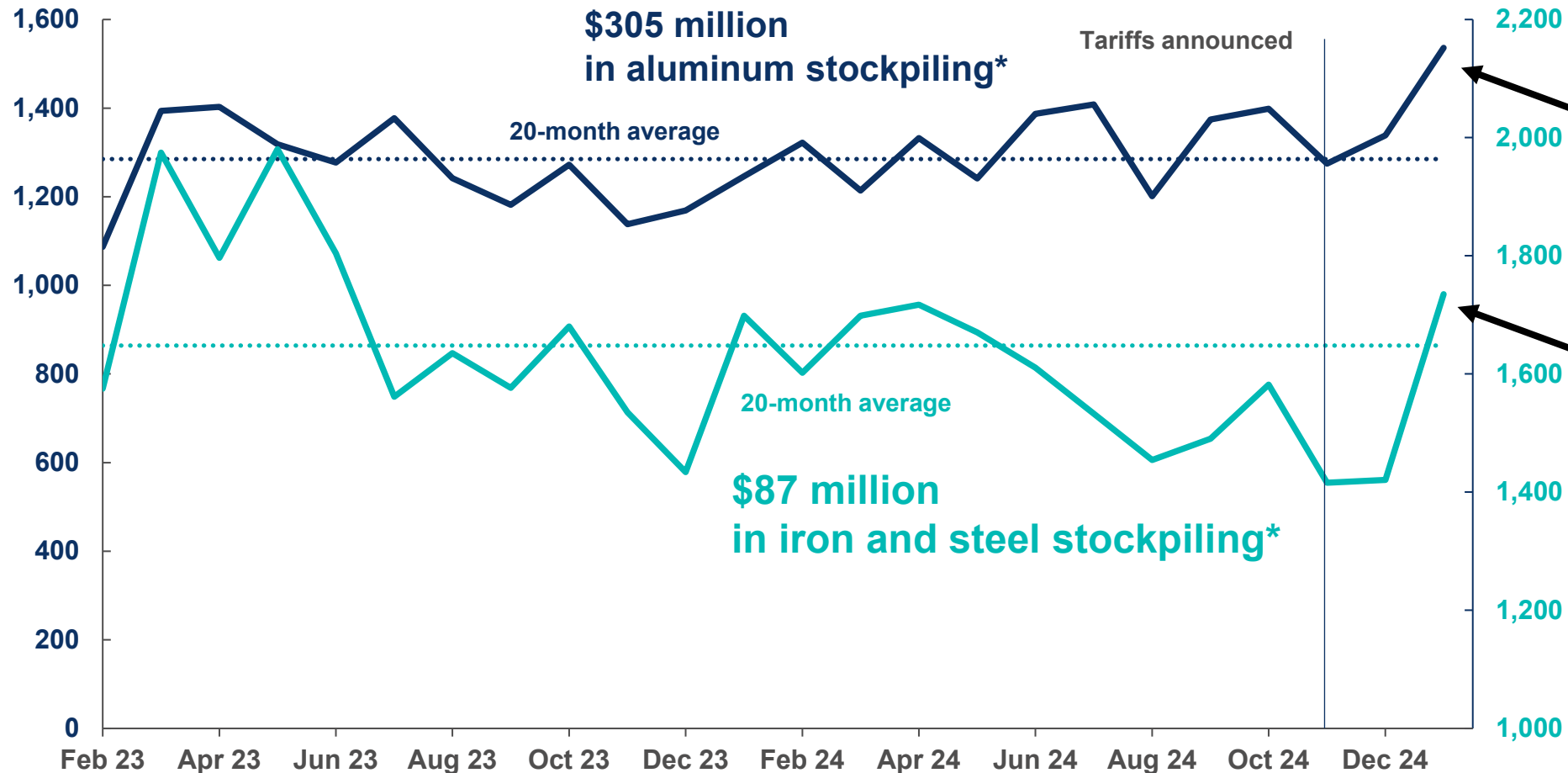

● **Exporter advantage**　　　● **Average Pre Trump**

Source: BDL analysis using Statistics Canada's *Canadian Survey on Business Conditions*.

FRONT-RUNNING THE TRUMP

Aluminum exports to the U.S.
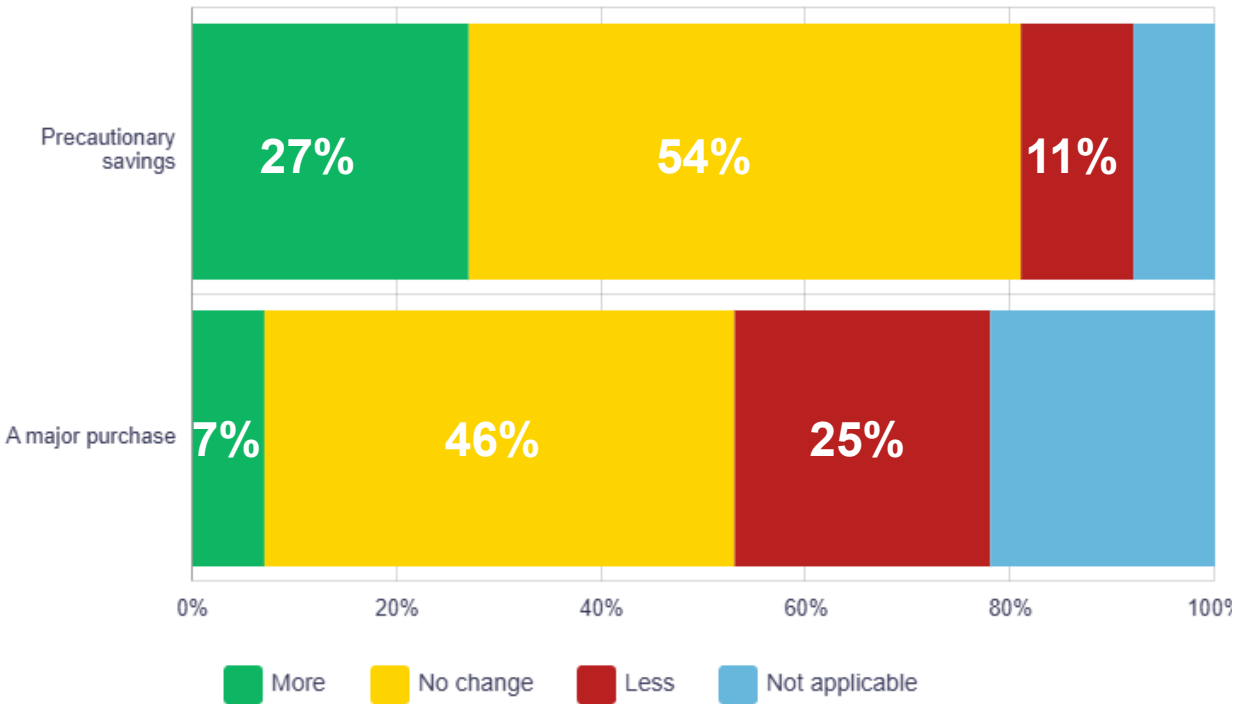Millions of Canadian dollars

Iron and steel exports to the U.S.
Millions of Canadian dollars

$305 million
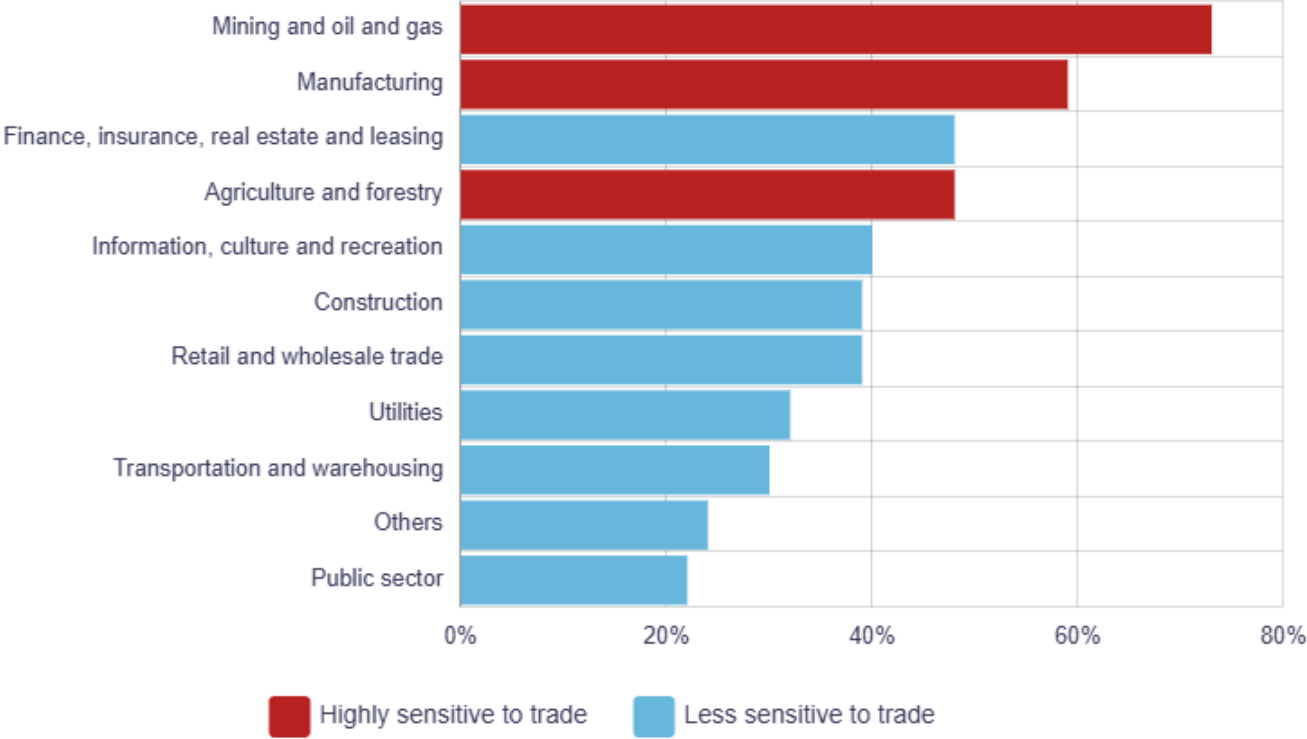in aluminum stockpiling*

Tariffs announced

20-month average

20-month average

$87 million
in iron and steel stockpiling*

Sources: BDL calculations based on Statistics Canada
*Note: Based on recent above-average monthly export data

HOUSEHOLDS SPOOKED BY TARIFFS

Household plan to spend more cautiously
Share of respondents, %

Precautionary savings: 27% More, 54% No change, 11% Less

A major purchase: 7% More, 46% No change, 25% Less

Legend: More | No change | Less | Not applicable

Job security a concern among those U.S. dependent sectors
Share of workers citing weaker job security, %

Sectors (top to bottom):
- Mining and oil and gas
- Manufacturing
- Finance, insurance, real estate and leasing
- Agriculture and forestry
- Information, culture and recreation
- Construction
- Retail and wholesale trade
- Utilities
- Transportation and warehousing
- Others
- Public sector

Legend: Highly sensitive to trade | Less sensitive to trade

Tariff risks

HIGHLY DEPENDENT SECTORS: O&G, AUTOS...

Canadian exports to the U.S. by product
Billions $USD, 2023

55% of Canadian products are over 80% dependent on the U.S.

Oil and gas — $128

Autos and parts — $58

Machinery — $34

Wood: $11

Paper: $7

Plastics — $14

Aluminum: $11

Iron and steel: $8

Furniture: $6

Cereal: $6

Animal/Vegetable Oils: $6
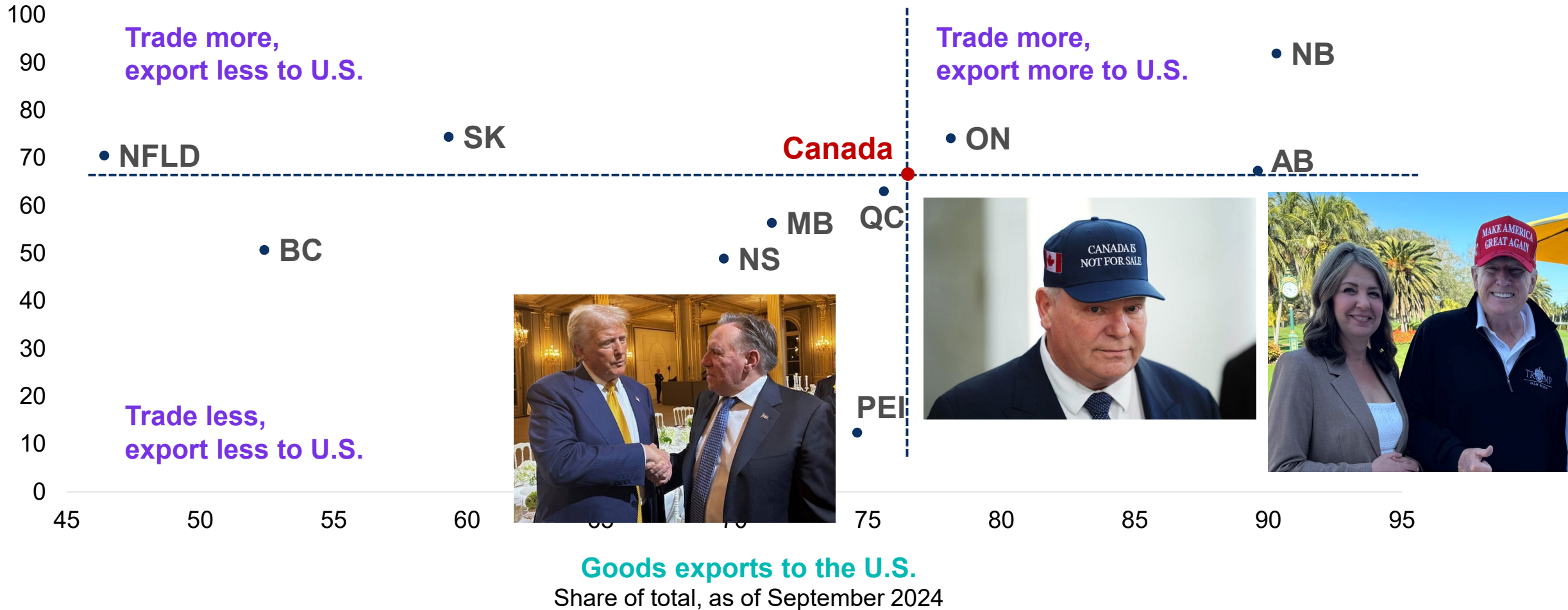
Share of Canada exports of product to US %
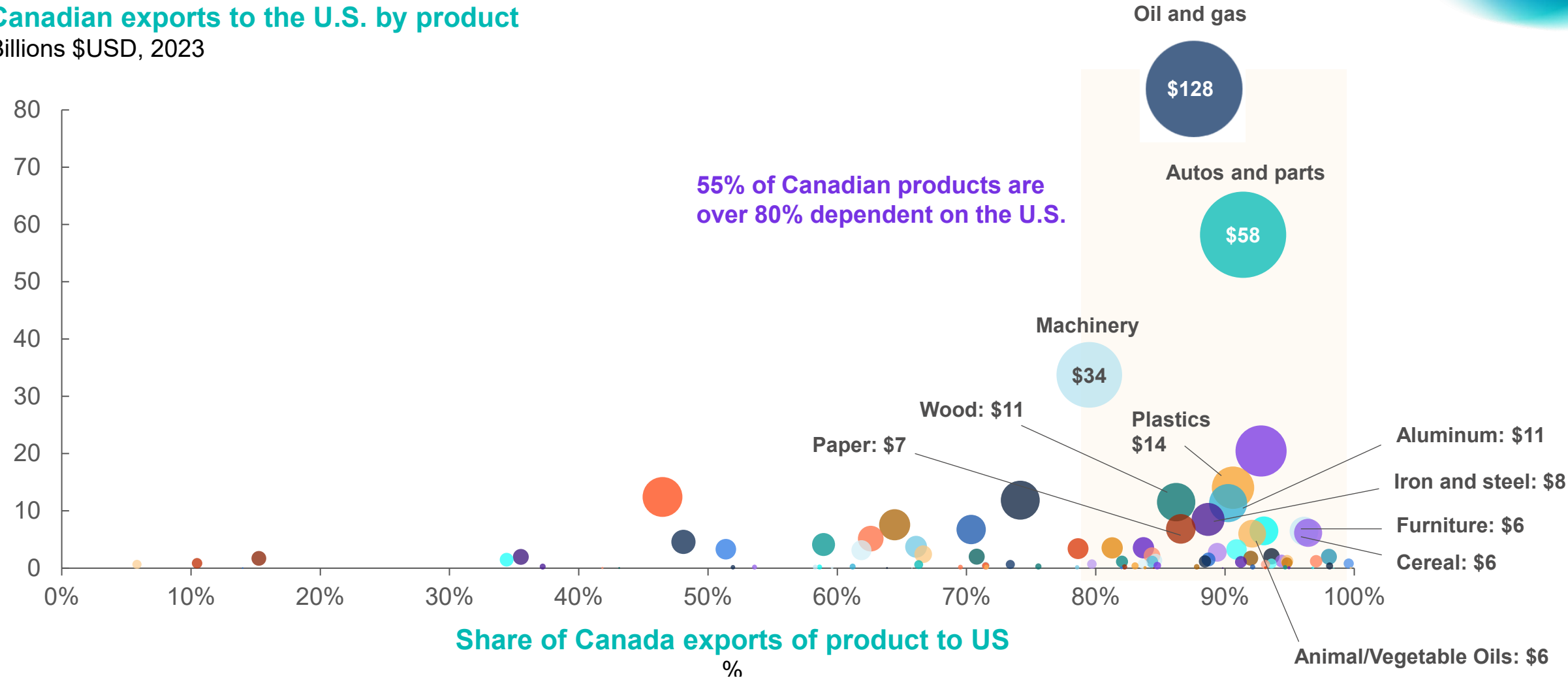
Sources: Bloomberg, UN Comtrade

MOST VULNERABLE PROVINCES: NB, AB, ON

Trade intensity
Goods exports plus imports, relative to GDP in 2023

Trade more,
export less to U.S.

Trade more,
export more to U.S.

NB

SK

NFLD

Canada

ON

AB

QC

MB

BC

NS

Trade less,
export less to U.S.

PEI

Goods exports to the U.S.
Share of total, as of September 2024

MOST "U.S.-DEPENDENT" CITIES

Rank	City	Tariff Exposure Index
1	Saint John, NB	131.1%
2	Calgary, AB	81.6%
3	Windsor, ON	61.7%
4	K-C-W*, ON	43.0%
5	Brantford, ON	27.8%
6	Guelph, ON	24.0%
7	Saguenay, QC	23.5%
8	Hamilton, ON	19.8%
9	Trois-Rivières, QC	18.9%
10	Lethbridge, AB	15.7%
11	Belleville - Quinte West, ON	14.4%
12	Drummondville, QC	12.1%
13	Thunder Bay, ON	11.2%
14	Oshawa, ON	11.0%
15	Abbotsford - Mission, BC	7.6%
16	St. Catharines - Niagara, ON	5.4%
17	Peterborough, ON	4.5%
18	Fredericton, NB	4.2%
19	Barrie, ON	0.7%

Rank	City	Tariff Exposure Index
20	Chilliwack, BC	-1.2%
21	Red Deer, AB	-3.8%
22	Sherbrooke, QC	-5.6%
23	Montréal, QC	-5.7%
24	Edmonton, AB	-6.6%
25	Kingston, ON	-6.9%
26	Québec, QC	-7.6%
27	Toronto, ON	-8.4%
28	Kelowna, BC	-9.9%
29	Ottawa - Gatineau, ON/QC	-10.9%
30	Moncton, NB	-11.1%
31	London, ON	-11.3%
32	Vancouver, BC	-14.9%
33	St. John's, NFLD	-15.5%
34	Saskatoon, SK	-21.6%
35	Halifax, NS	-35.1%
36	Victoria, BC	-40.1%
37	Regina, SK	-40.9%
38	Winnipeg, MB	-50.6%
39	Nanaimo, BC	-60.6%
40	Kamloops, BC	-78.1%
41	Sudbury, ON	-82.0%

*KCW=Kitchener-Cambridge-Waterloo
Source: Canadian Chamber of Commerce Business Data Lab calculations using Statistics Canada custom Trade by Exporter Characteristics data.
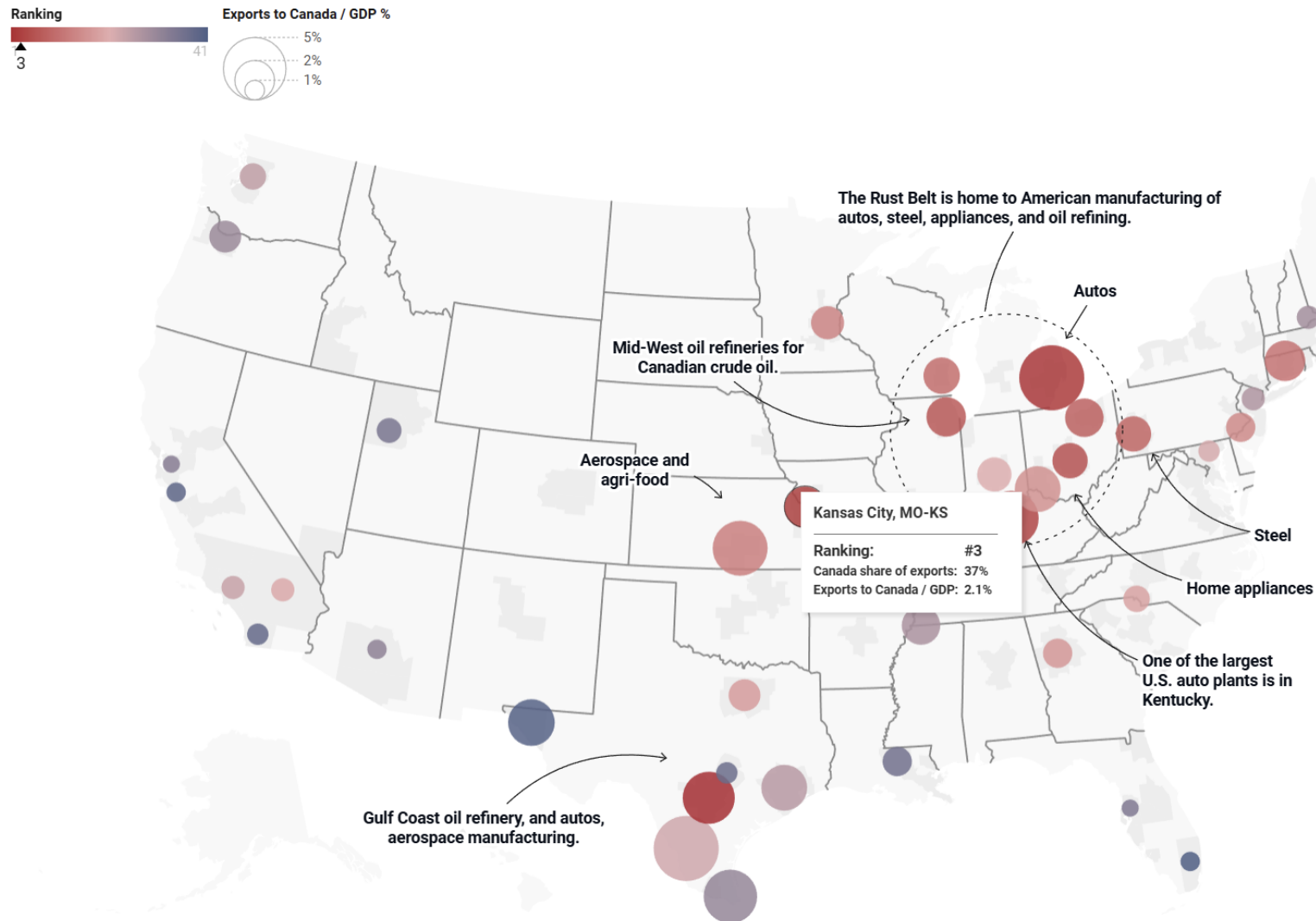
MOST "CANADA-DEPENDENT" CITIES

	Metropolitan area	Canada exports / GDP	Canada share of exports	Relative Canada-dependence measure ▼
1	San Antonio-New Braunfels, TX	3.4%	48%	32
2	Detroit-Warren-Dearborn, MI	5.4%	39%	26
3	Kansas City, MO-KS	2.1%	37%	20
4	Louisville/Jefferson County, KY-IN	3.8%	34%	19
5	Nashville-Davidson--Murfreesboro--Franklin, TN	1.7%	33%	16
6	Columbus, OH	1.5%	33%	15
7	Chicago-Naperville-Elgin, IL-IN	1.9%	31%	14
8	Cleveland, OH	1.8%	30%	13
9	Pittsburgh, PA	1.5%	25%	7
10	Milwaukee-Waukesha, WI	1.6%	23%	6
11	Hartford-West Hartford-East Hartford, CT	2.0%	22%	5
12	St. Louis, MO-IL	1.3%	21%	4
13	Wichita, KS	3.8%	19%	4
14	Minneapolis-St. Paul-Bloomington, MN-WI	1.3%	20%	2
15	Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	1.0%	19%	1
42	**United States**	1.3%	18%	

15 of 41 top U.S. cities exporting to Canada

MOST "CANADA-DEPENDENT" CITIES

Ranking
3 — 41

Exports to Canada / GDP %
5%
2%
1%

The Rust Belt is home to American manufacturing of autos, steel, appliances, and oil refining.

Autos

Mid-West oil refineries for Canadian crude oil.

Aerospace and agri-food

Kansas City, MO-KS

Ranking:	#3
Canada share of exports:	37%
Exports to Canada / GDP:	2.1%

Steel

Home appliances

One of the largest U.S. auto plants is in Kentucky.

Gulf Coast oil refinery, and autos, aerospace manufacturing.

Sources: Canadian Chamber of Commerce Data Lab calculations using U.S. Census Bureau and U.S. ITA trade data.
Note: Cities in red have a higher export-dependence on Canada.

CDN INVESTMENT IN THE US: AUTO PARTS

U.S. manufacturing plants of Canadian auto parts suppliers
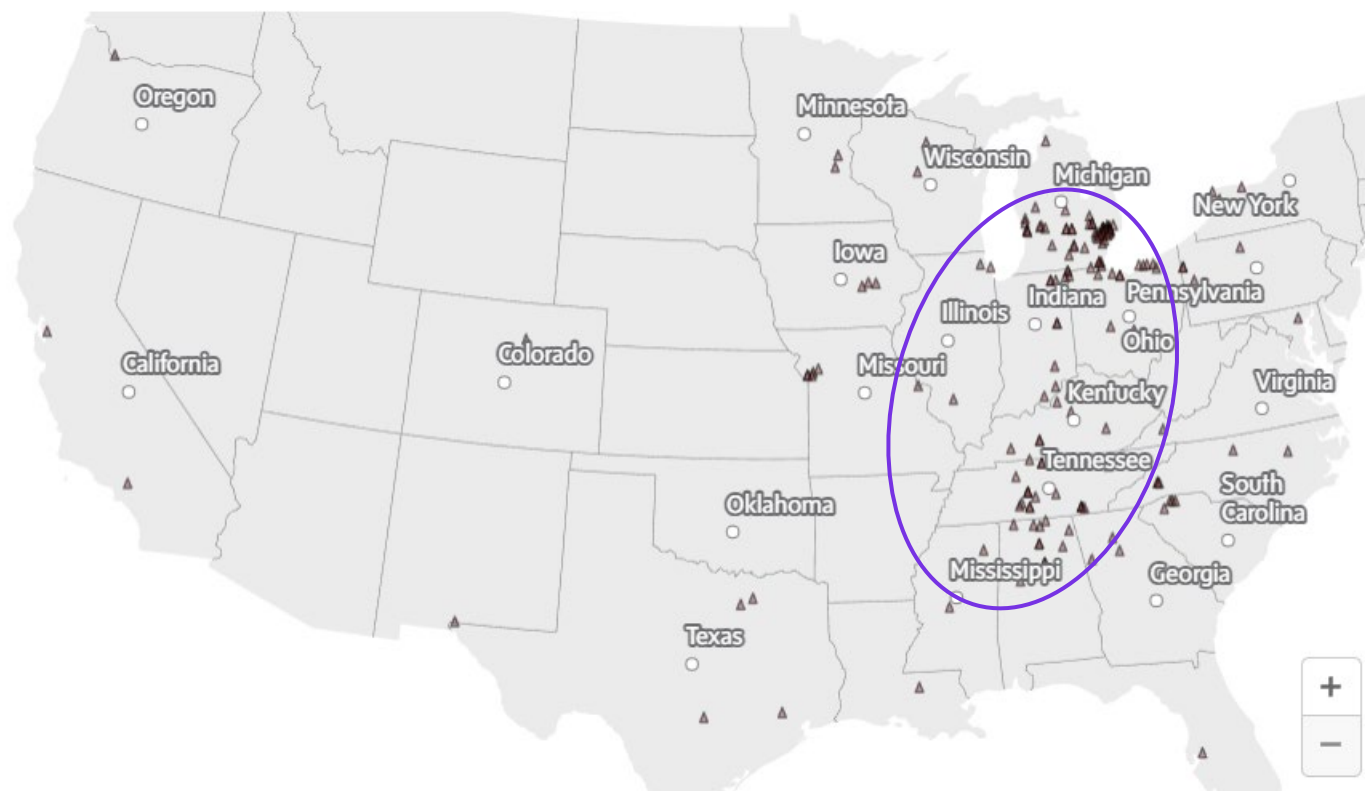
25 Canadian automotive parts suppliers
170 auto parts plants
26 U.S. states
48,000 U.S. workers
$1B+ in new investment since 2021.

55 Canadian parts plants with **17,000** U.S. workers in Michigan alone.

Includes volume supply and machine, tool, die and mold plants

What can we do?

UTILIZATION VS. COMPLIANCE

Share of goods entering U.S. under USMCA preference, %

Not eligible under USMCA — 5.6

Exports eligible but not using USMCA — 57

Exports using USMCA preference — 38
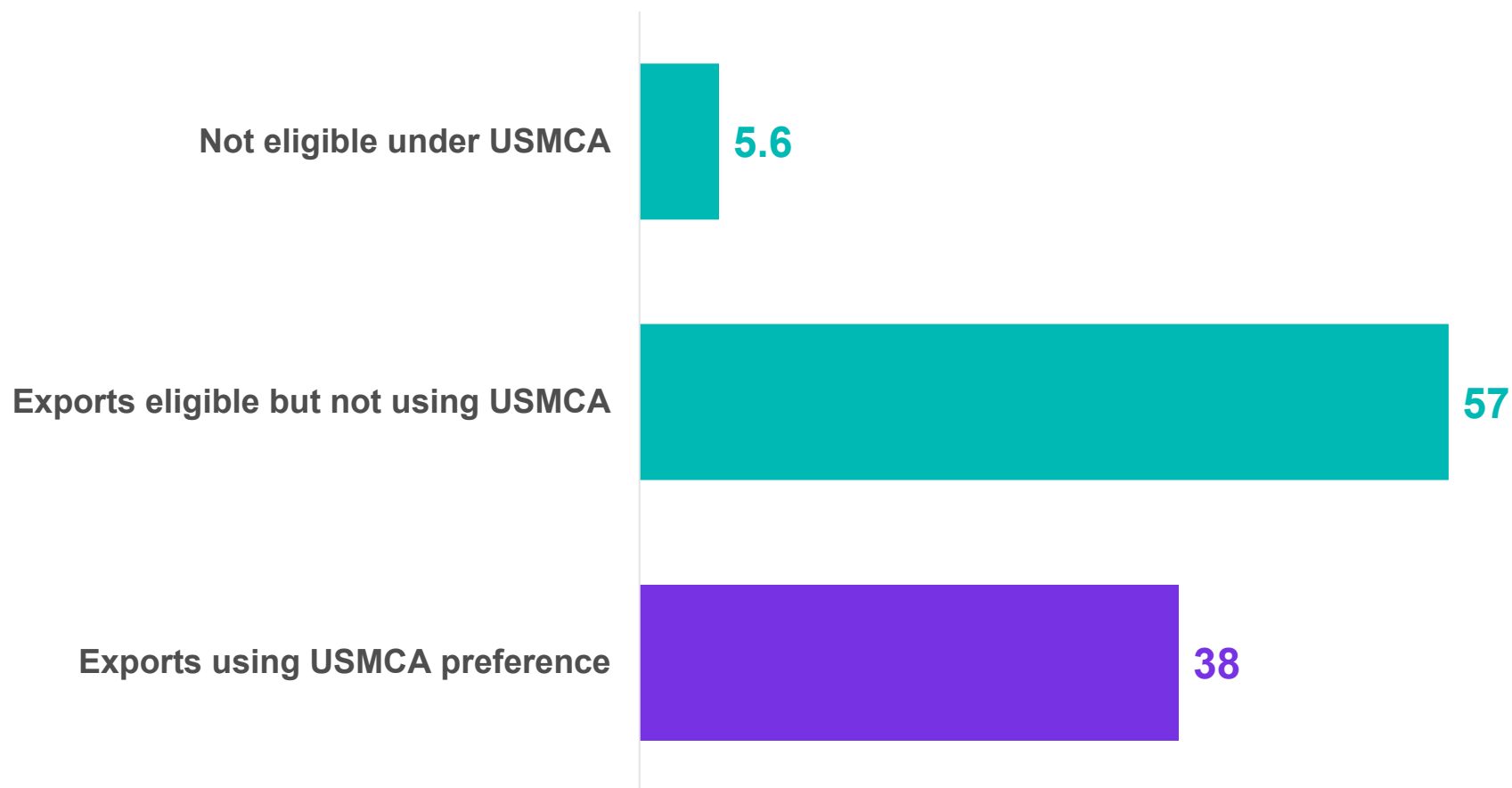
Sources: BDL calculations using Census Bureau data, RBC Economics.

Explore real-time data on Canadian business conditions.

DISCOVER HOW THE BDL CAN HELP YOU

EXPLORE INTERACTIVE TOOLS

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STAY UP TO DATE

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