

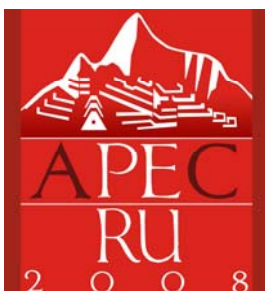


**Asia-Pacific
Economic Cooperation**

2008/SOM1/010anx3
Agenda Item: V

Canada's IAP Peer Review Presentation

Purpose: Consideration
Submitted by: APEC Secretariat



**First Senior Officials' Meeting
Lima, Peru
2-3 March 2008**

IAP PEER REVIEW

Lima Peru

Saturday March 1, 2008

Canada 

Overview

- Economy and Economic Policy
 - Economic Performance
 - Economic and Trade Policy
- IAP review
 - Key Achievements



Canada 

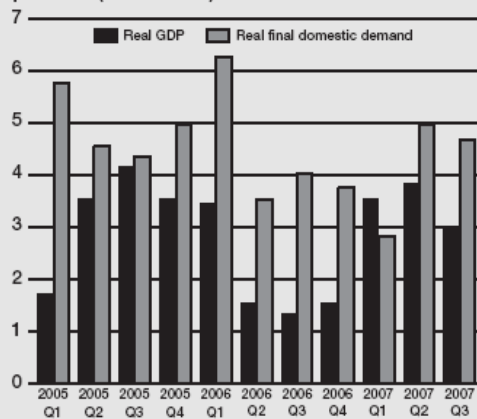
Economy and Economic Policy: Performance

- Currently experiencing one of the strongest periods of economic growth in Canadian history
- Significant improvement in living standards



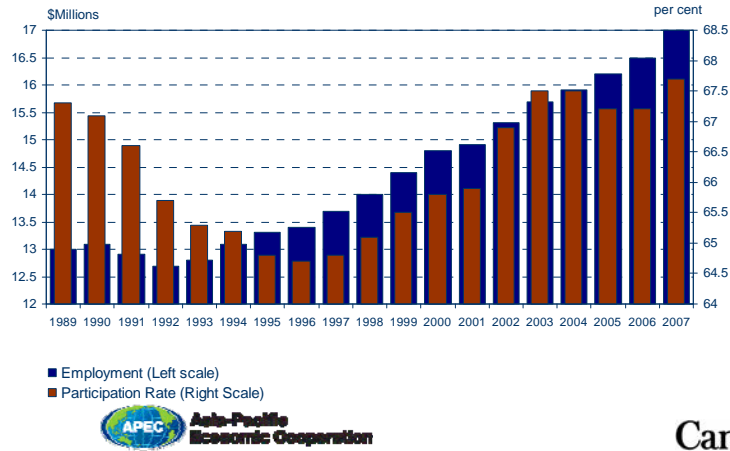
Canada

Growth in real GDP and real final domestic demand per cent (annual rate)



Canada

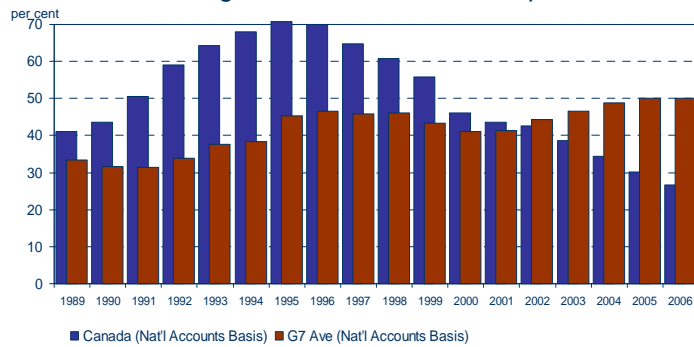
Employment



Canada

Fiscal policy has been a story of surpluses and debt reduction

Canada's total government net debt as a percent of GDP



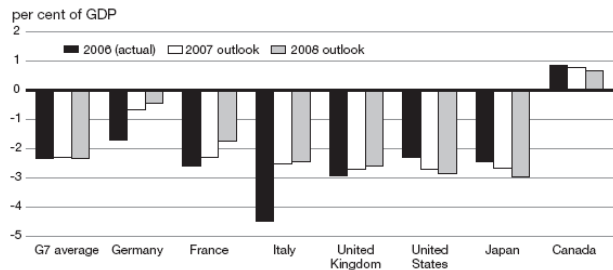
Department of Finance calculations

APEC Asia-Pacific Economic Cooperation

Canada

... with intent to further improve the books

Comparison of Total Government Financial Balances¹



Note: The figures for Canada are based on estimates available in the spring of 2007 and have not been revised upward to reflect the larger-than-expected federal and provincial-territorial surpluses for 2006-07.
¹ The OECD uses the term "financial balance" to mean "budgetary balance." Total government consists of the federal, provincial-territorial and local government sectors, as well as the Canada Pension Plan and the Quebec Pension Plan.

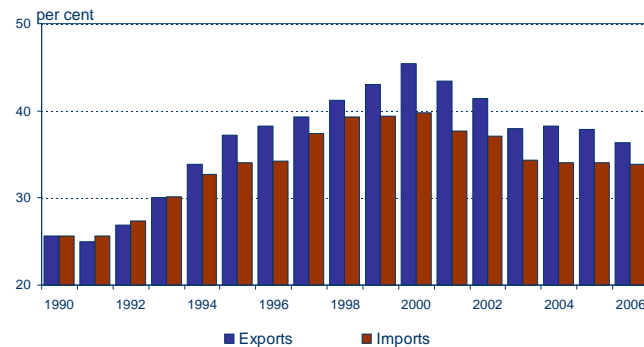
Source: Finance Canada, Economic Statement, October 2007, Chart 2.4



Canada

Very good trade performance

Canada's international trade in goods and services as a percentage of GDP

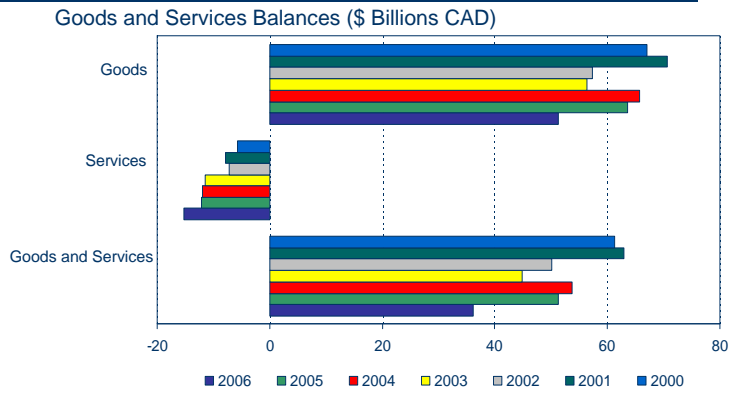


Source: Statistics Canada



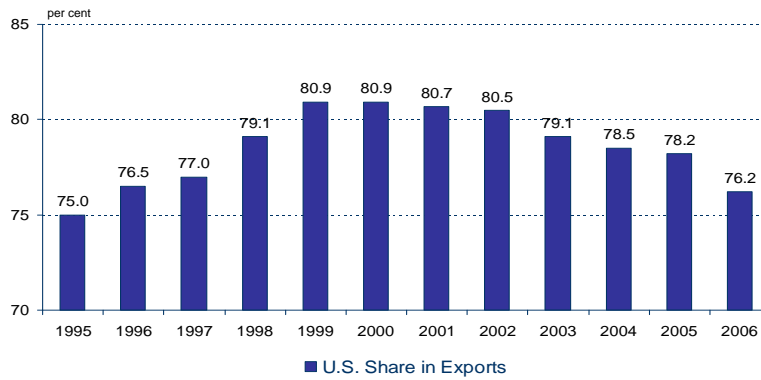
Canada

The goods surplus is holding up well in face of dollar appreciation, while the services deficit has expanded



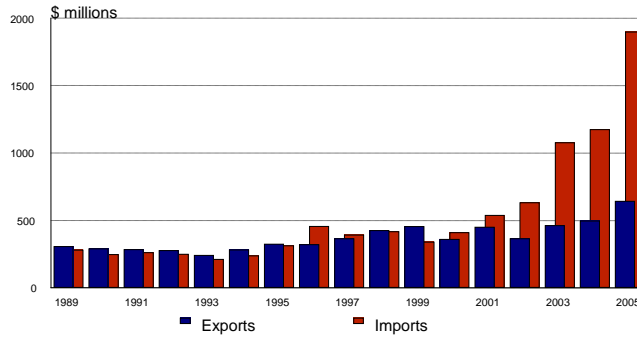
The importance of the U.S. for Canadian exports has been falling, as well as for imports

The U.S. as a destination of Canadian Exports of G&S



Imports from LDCs have increased following the 2003 Kananaskis LDC market access initiative

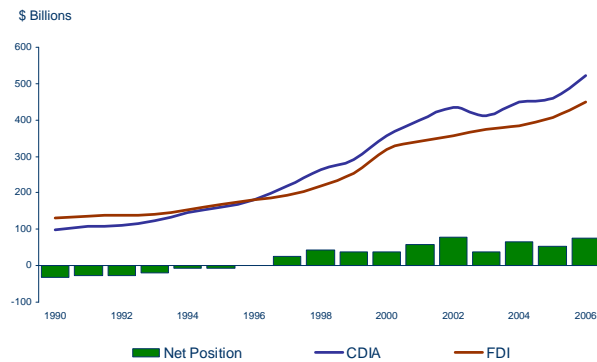
The LDCs in Canada's trade



Canada

Canada is a net exporter of capital

CDIA, FDI in Canada, and net direct investment position



Canada

Key economic challenges

- US slowdown & financial market adjustment
- Adjustment to strong Canadian dollar and global competition
- Labour shortages and population aging
- Productivity will be key
- Global Value Chains and changing global trade patterns



Canada

Economy and Economic Policy: Economic and Trade Policy

ADVANTAGE CANADA  *Building a Strong Economy for Canadians*

- Tax Advantage
- Fiscal Advantage
- Entrepreneurial Advantage
- Knowledge Advantage
- Infrastructure Advantage



Canada



- The Doha Round remains top trade policy priority.
- The Strategy will include:
 - pursuing regional and bilateral trade, investment, and S&T agreements;
 - reinvigorating our comprehensive trade and investment relationship with our closest trading partner, the United States; and
 - extending our reach to new markets.



Global Commerce Strategy

- **Boosting participation in global investment and innovation networks.**
- **Deepening access to global markets and networks through renewed international negotiations agenda.**
- **Better connecting Canadian companies to global opportunities.**



Canada's IAP

- Canada and the Bogor Goals
- Key achievements



Canada

Free and open trade and investment

- The WTO states that *'Canada's trade and investment regime is amongst the world's most transparent and liberal ...'*
- The OECD states that Canada *'... enjoys a deserved reputation as one of the most liberal and transparent markets in the world.'*



Canada

Canada on track to meeting the Bogor Goals: Highlights

- Active Participation in support of Bogor Goals
- High priority for Capacity Building and International Cooperation and
- Transparency and New Technologies
- Widespread application of Competition and Regulatory Reform Principles



Canada

Key Achievements: Goals have been met:

- Deregulation/Regulatory Review and Reform
- Intellectual Property Rights
- Competition Policy
- Government Procurement
- Mobility of Business Persons
- Non-Tariff Measures



Canada

Canada will meet Bogor Goals

- Demonstrated range of implemented and planned improvements in all Individual Policy Areas
- Canada is on track for 2010



Canada

End



Canada