

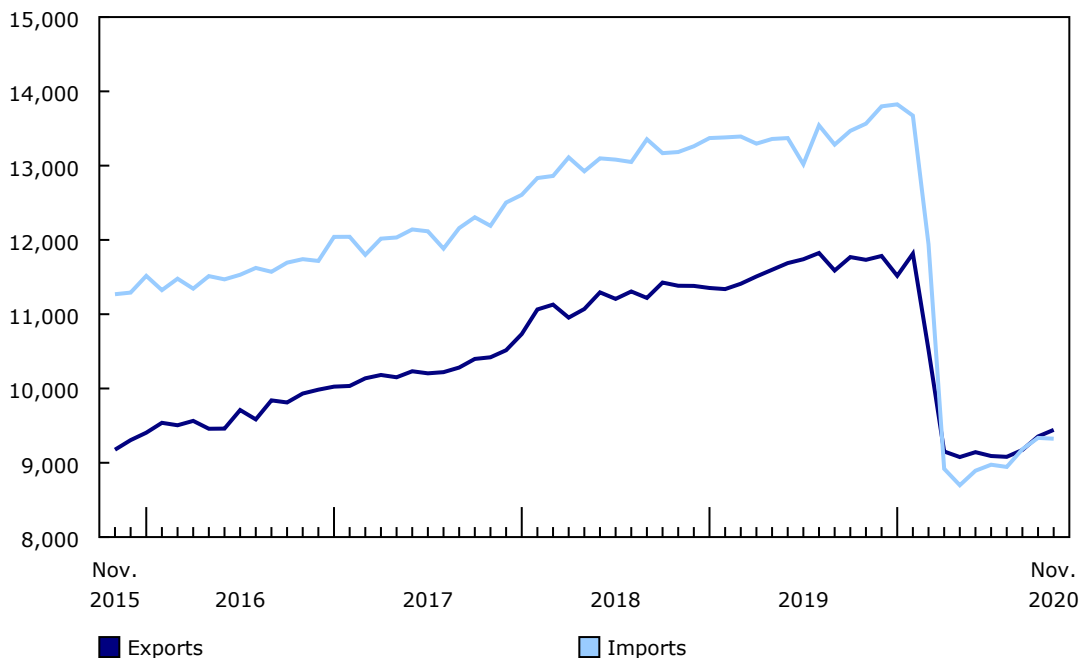
Canadian international trade in services, November 2020

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Canada's monthly international trade in services surplus widened from \$19 million in October to \$119 million in November. Overall, exports of services increased 1.0% to \$9.4 billion, and imports edged down 0.1% to \$9.3 billion.

Chart 1
International trade in services

millions of dollars



Note(s): Data are seasonally adjusted.

Source(s): Table 12-10-0144-01.

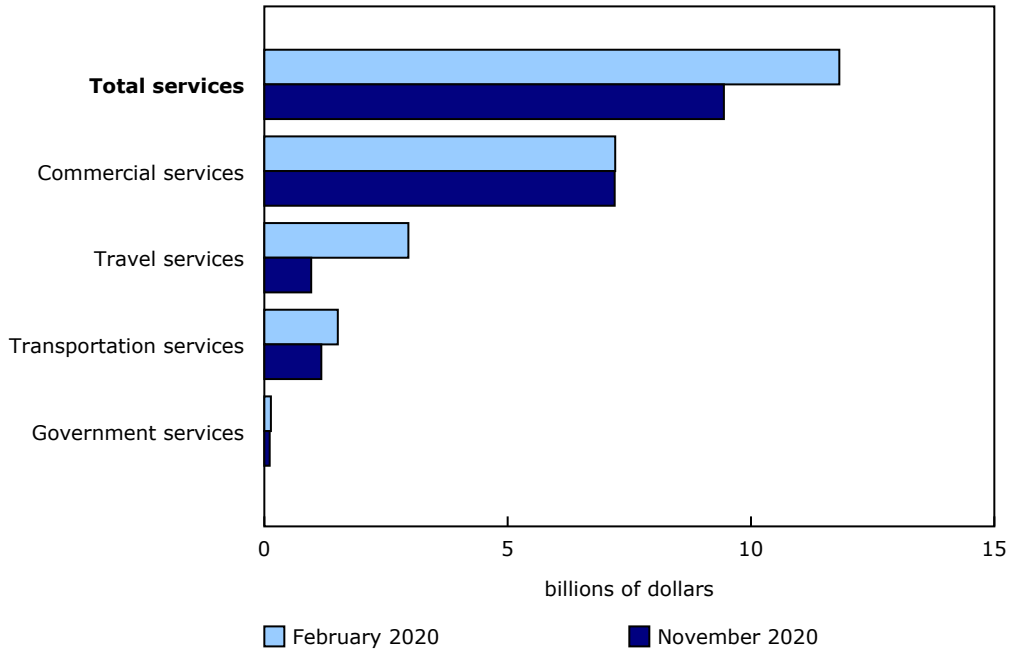
Exports of travel services rose 7.5% to \$963 million in November. Despite this increase, travel services exports remained relatively low, at less than one-third of the value recorded in February 2020. Exports of commercial services and transportation services were relatively unchanged, at \$7.2 billion and \$1.2 billion, respectively, in November.



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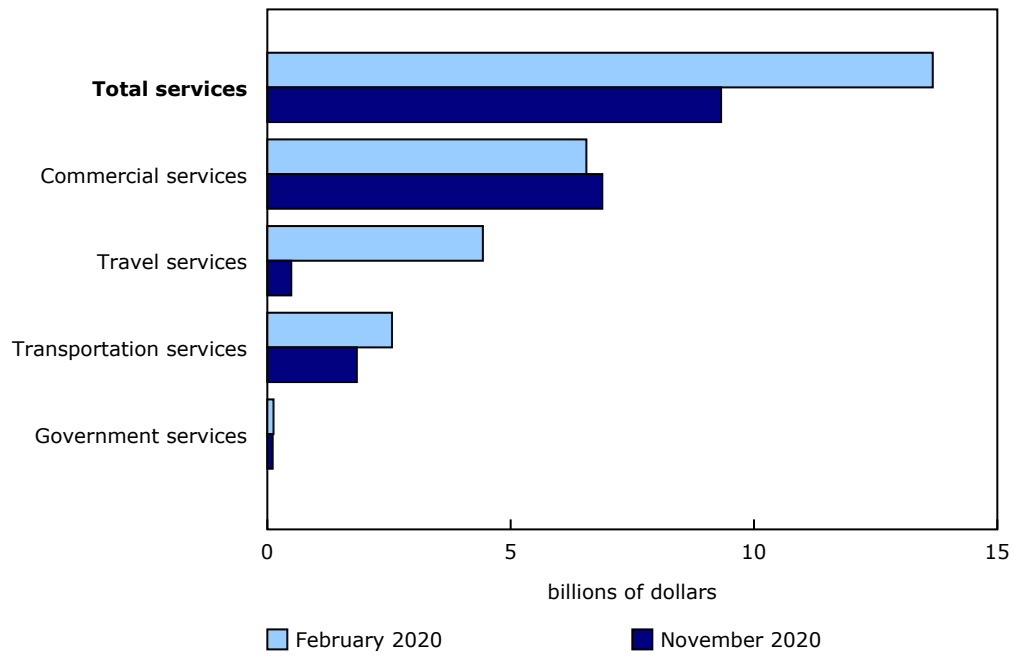
Chart 2
International trade in services, exports



Note(s): Data are seasonally adjusted.
Source(s): Table 12-10-0144-01.

Imports of transportation services declined 4.8% to \$1.8 billion in November. As with the increase in the previous two months, this movement was mainly attributable to payments related to the marine shipment of imported goods. Imports of commercial services increased 0.9% to \$6.9 billion in November.

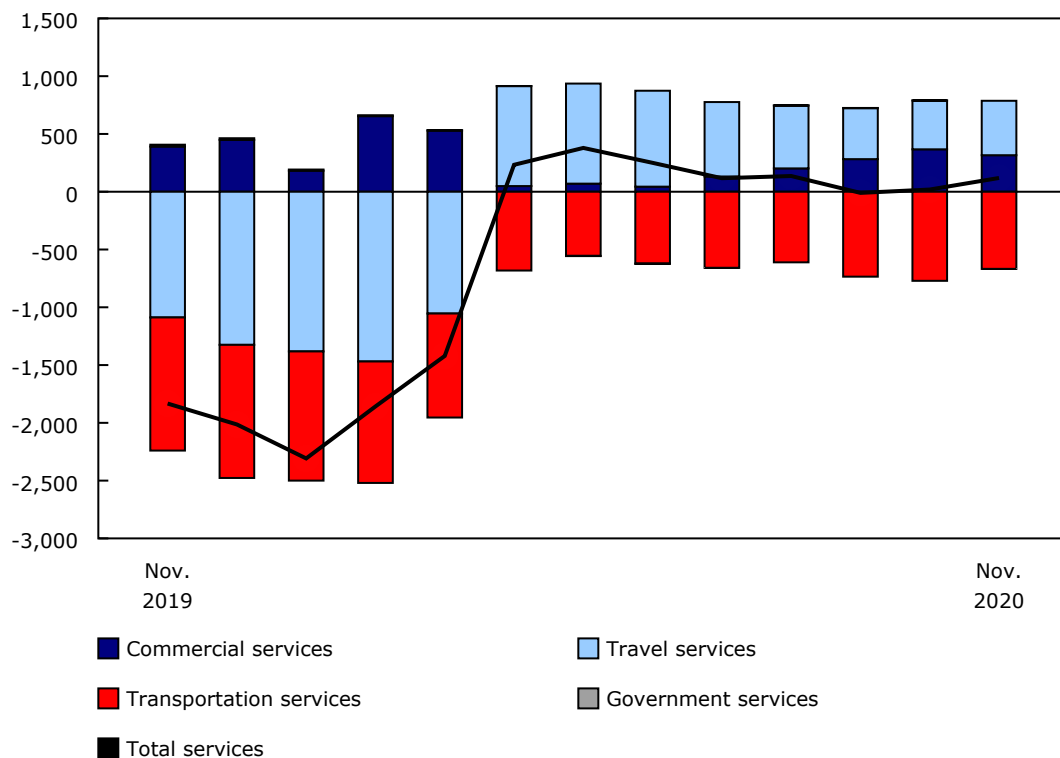
Chart 3
International trade in services, imports



Note(s): Data are seasonally adjusted.
Source(s): Table [12-10-0144-01](#).

Chart 4
International trade in services, balances

millions of dollars

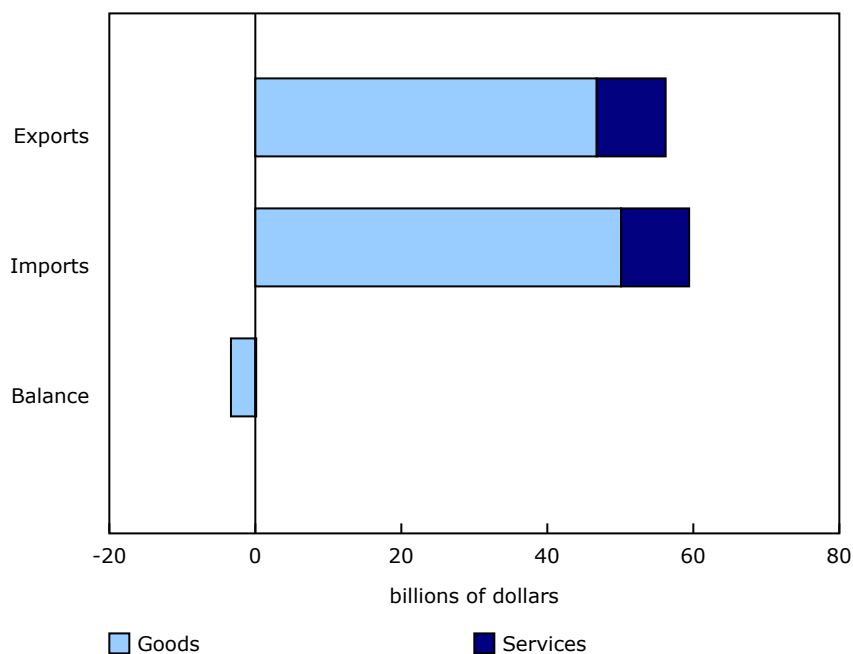


Note(s): Data are seasonally adjusted.
Source(s): Table 12-10-0144-01.

In November, imports of transportation services excluding passenger fares were 7.1% higher than their February level, while exports were 0.4% higher. Despite this recovery, overall exports of transportation services were 22.5% below their February level, and imports were 28.2% below their February level. Travel restrictions and border closures related to COVID-19 continued to contribute to very low levels for the passenger fares component of transportation services.

In comparison, total exports of goods increased 0.5% to \$46.8 billion in November, and total imports of goods declined 0.3% to \$50.1 billion, resulting in a goods deficit of \$3.3 billion. When combined, the trade balance for goods and services amounted to a deficit of \$3.2 billion in November—a decrease of \$488 million from October.

Chart 5
International trade in goods and services, November 2020



Note(s): Data are seasonally adjusted. Trade in goods data are on a balance of payments basis.

Source(s): Tables [12-10-0011-01](#) and [12-10-0144-01](#).

The services trade balance for October, first reported as a deficit of \$55 million, was revised up by \$74 million with this month's release to a surplus of \$19 million. Imports of services for October were revised down by \$69 million, entirely on a downward revision to commercial services. Exports of services were revised up by \$5 million, entirely on an upward revision to travel services.

Note to readers

Adjustments to the methodological approach

Circumstances surrounding COVID-19 pose issues for the production of monthly international trade in services statistics, particularly for travel and transportation services.

Travel services and the passenger fares component of transportation services are estimated using tourist and traveller counts as indicators of monthly movement. These data are not available on a timely basis and are projected for the reference month before being replaced by the actual values the following month. This approach works in a typical month, but it does not work in the current situation, in which travel restrictions to reduce tourist and traveller numbers were implemented very quickly.

To better capture the effects of the COVID-19 pandemic, Statistics Canada is incorporating data from the Canada Border Services Agency's primary inspection kiosks into its monthly international trade in services program. These are electronic customs declaration kiosks that have been installed in most major Canadian airports. While these data represent only a subset of total travellers, they provide relevant and timely insights.

In addition, the methodology used to estimate the monthly international trade in services statistics involves first projecting quarterly benchmark values, then dividing these quarterly values into monthly values using economic indicators. While the projected quarterly value was previously kept constant throughout the production process for all three months of the quarter, with current volatility, this particular element of the model was revised, and the benchmark values are being adjusted based on the most current data, as needed.

Revisions

Because of the unprecedented circumstances related to the COVID-19 pandemic, larger-than-normal revisions may occur in subsequent months, as additional, but less timely, indicator data are incorporated into the monthly services program.

Methodology

Because several data sources used to compile the data from the international trade in services program are available only on a quarterly or annual basis, the monthly statistics on Canada's international trade in services are generated using models when up-to-date information is not available. This follows the methodology used in many countries that produce monthly trade in services data.

In general, for most commercial and travel services, as well as some transportation services, modelling of monthly estimates follows a three-step approach. First, values for the upcoming quarter are estimated using statistical models (auto-regressive integrated moving average). Second, indicator series that act as a proxy for the monthly movement of trade in services are identified through relationships with other economic indicators, such as merchandise trade or gross domestic product by industry. Third, a temporal disaggregation method (the Denton-Cholette method) is applied to distribute modelled quarterly services on a monthly basis, using the predicted values of monthly services generated in the second step. Adjustments are made each month as new information becomes available.

Table 1
International trade in services – Seasonally adjusted

	July 2020 ^r	August 2020 ^r	September 2020 ^r	October 2020 ^r	November 2020
millions of dollars					
Total services, exports	9,091	9,080	9,173	9,354	9,443
Commercial services	6,876	6,922	7,104	7,187	7,199
Travel services	1,027	965	880	896	963
Transportation services	1,078	1,084	1,079	1,161	1,171
Government services	110	109	110	110	110
Total services, imports	8,974	8,944	9,183	9,335	9,324
Commercial services	6,744	6,720	6,822	6,820	6,883
Travel services	383	421	439	474	492
Transportation services	1,737	1,695	1,814	1,932	1,839
Government services	110	108	108	109	110
Total services, balances	117	136	-10	19	119
Commercial services	132	202	282	367	316
Travel services	644	544	441	422	471
Transportation services	-659	-611	-735	-771	-668
Government services	0	1	2	1	0

^r revised

Source(s): Table [12-10-0144-01](#).

Table 2
International trade in goods and services – Seasonally adjusted

	July 2020 ^r	August 2020 ^r	September 2020 ^r	October 2020 ^r	November 2020
millions of dollars					
Exports					
Goods	45,826	45,130	45,564	46,544	46,763
Services	9,091	9,080	9,173	9,354	9,443
Goods and services	54,917	54,210	54,737	55,898	56,206
Imports					
Goods	48,128	48,219	49,324	50,272	50,103
Services	8,974	8,944	9,183	9,335	9,324
Goods and services	57,102	57,163	58,507	59,607	59,427
Balances					
Goods	-2,303	-3,089	-3,760	-3,728	-3,340
Services	117	136	-10	19	119
Goods and services	-2,186	-2,953	-3,770	-3,709	-3,221

^r revised

Source(s): Tables [12-10-0011-01](#) and [12-10-0144-01](#).

Available tables: table [12-10-0144-01](#).

Definitions, data sources and methods: survey number [1536](#).

The updated [Canada and the World Statistics Hub \(13-609-X\)](#) is available online. This product illustrates the nature and extent of Canada's economic and financial relationship with the world using interactive charts and tables. This product provides easy access to information on trade, investment, employment and travel between Canada and a number of countries, including the United States, the United Kingdom, Mexico, China, Japan, Belgium, Italy, the Netherlands and Spain.

The *Methodological Guide: Canadian System of Macroeconomic Accounts* ([13-607-X](#)) is available.

The *User Guide: Canadian System of Macroeconomic Accounts* ([13-606-G](#)) is also available. This publication will be updated to maintain its relevance.

For more information, contact us (toll-free 1-800-263-1136; 514-283-8300; STATCAN.infostats-infostats.STATCAN@canada.ca).

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