

The relationship between North America and China has been hogging headlines for more than a year.

Since last January, the United States and China have been going back and forth with trade negotiations and tariffs.

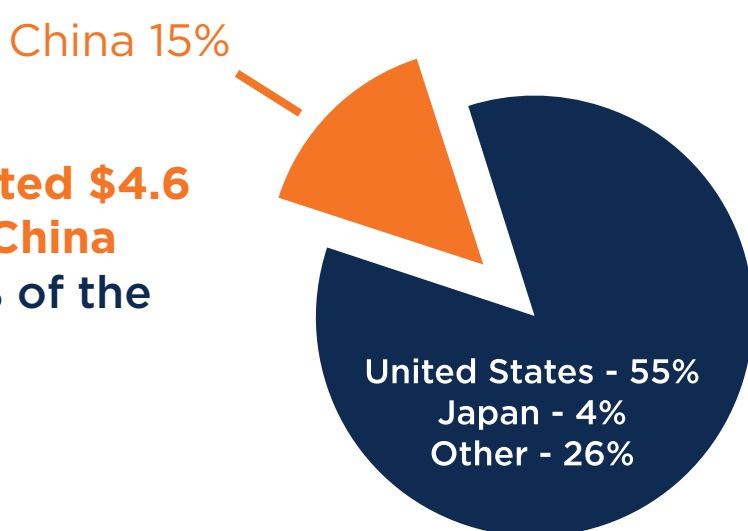


These events behind the headlines have a significant impact on the province.

Why?

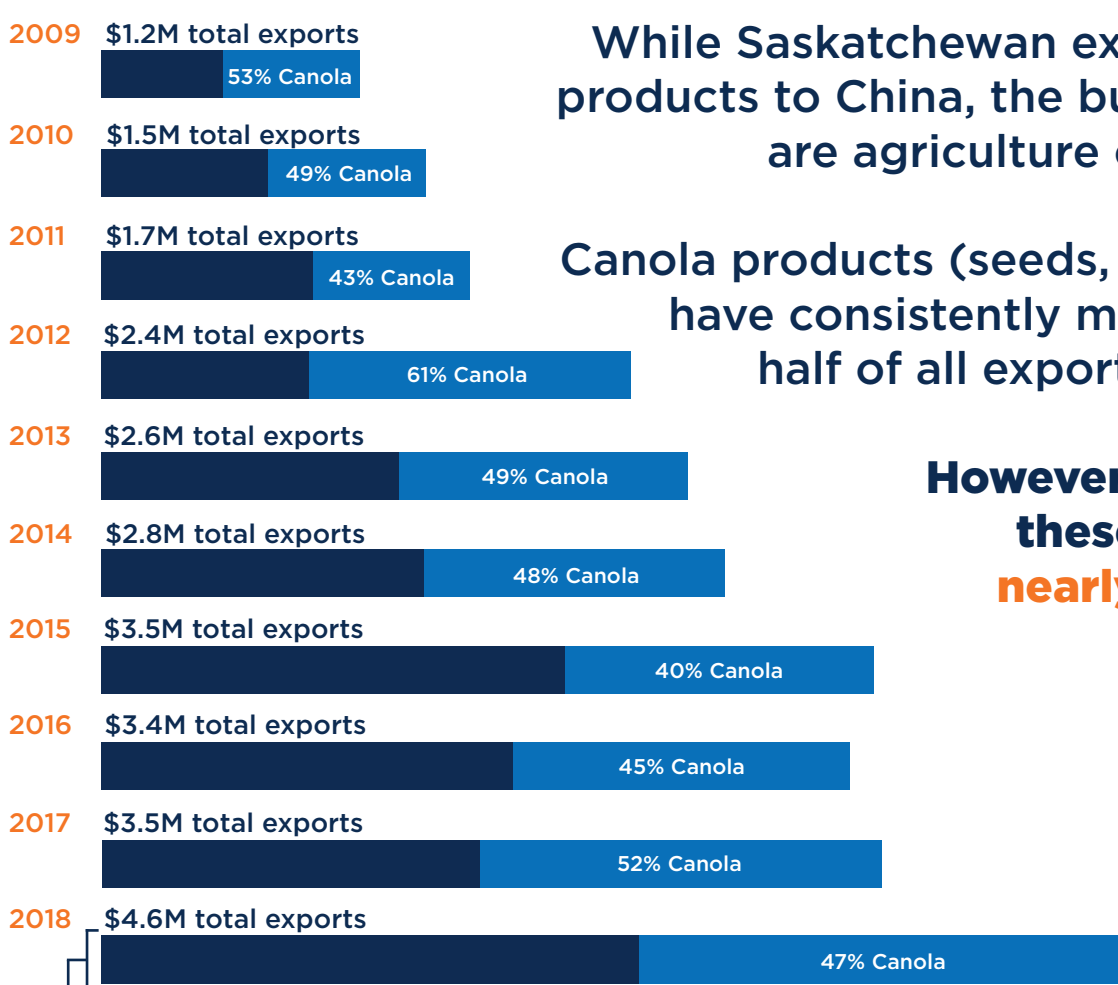
Because China is Saskatchewan's second largest trade partner.

In total, Saskatchewan exported \$4.6 billion worth of products to China in 2018, accounting for 14.8% of the province's total exports.



Exports to China

Growth in exports has been trending up year-over-year, with exports seeing a 31% increase from 2017 to 2018.



While Saskatchewan exports various products to China, the bulk of exports are agriculture commodities.

Canola products (seeds, oil and meal) have consistently made up about half of all exports with China.

However, the value of these exports has nearly quadrupled in the past 10 years.

The remainder is a mix of potash (15%), dried peas (10%), soya beans (7%), semi-chemical wood pulp (6%), barley (6%) and other (1%)

And it's not just about what we're selling...

The province **IMPORTS GOODS** from China as well.

In total, Saskatchewan imported \$438 million worth of goods from China last year, representing 4% of total imports in the province. Similar to exports, our import volumes have been growing over time.

Curious about Saskatchewan's Top 6 Imports from 2018?

Carbon or Graphite Electrodes	\$122.0M
Boilers, Machinery and Mechanical Appliances/Parts	\$71.9M
New Rubber Tires	\$24.6M
Plastics	\$20.7M
Pesticides	\$14.6M
Organic Chemicals (Including Vitamins, Alkaloids and Antibiotics)	\$13.4M

Saskatchewan's trade relationship with China is obviously important for our economy.

Unstable Canada and US trade relations with China add a layer of uncertainty to the future of the Saskatchewan economy.