

PART II.—STATISTICS OF EXTERNAL COMMODITY TRADE*

Important changes have been made in the arrangement of the material dealing with commodity trade in the present edition as compared with previous editions. Statistical tables are now distributed throughout the explanatory and analytical text. The principal summary and detailed statistics were compiled on a calendar-year basis for the first time in 1939 and comparative figures have been carried back or varying periods. An effort has been made to preserve the continuity with statistics of former editions in spite of the slight lack of comparability involved in the change from a fiscal-year to a calendar-year basis.

A change in procedure that materially affects the trade figures in this edition is that exports of non-monetary gold formerly included, have been excluded from all export statistics, as explained in greater detail at pp. 398-399.

At the time of preparation of material for this edition of the Year Book, the latest period for which detailed figures of trade were available was the calendar year 1939. Effects of the outbreak of the War, in September, did not greatly affect the trade figures for 1939 as a whole, although its influence should be kept in mind in any analysis of the trade with European countries involved.

General Explanations Regarding Canadian Trade Statistics.—External trade statistics are derived by recording the physical movement of goods outwards or inwards across the frontiers or through ocean ports and the valuations placed upon them at the time of movement. Such statistics cannot take cognizance of the complex financial transactions involved in this physical movement of goods, which transactions may take place prior to or subsequent to the actual shipment (although in investigating the balance of international payments, as in Part III of this chapter, such financial transactions are the sole consideration). Certain problems of procedure arise in recording trade statistics and it is necessary to explain these.

For the correct interpretation of the statistics of external trade, it is necessary that the following definitions and explanations of terms used, as well as certain features of the statistics that necessitate adjustments to the external trade figures, be carefully kept in mind, if the true position of trade in relation to the total of Canada's international transactions is to be understood.

Quantities and Values.—In all tables of imports and exports, the quantities and values are based upon the declarations of importers (import entries) and exporters (export entries), as subsequently checked by customs officials.

Imports: Valuation.—"Imports" means imports entered for consumption. "Entered for consumption" does not necessarily imply that the goods have been actually consumed in Canada, but that they have passed into the possession of the importer and that duty has been paid on that portion liable for duty.

Under the main provisions of the law, the value of merchandise imported into Canada is the fair market value or price thereof when sold for home consumption in the principal markets of the country from which, and at the time when, said

* The analytical text was revised under the supervision of A. L. Neal, B.A., B.Sc. (Econ.), Director of Economic Research, while the statistics were revised under the supervision of L. A. Kane, Chief, External Trade Branch, Dominion Bureau of Statistics. This Branch publishes the Annual Report on the Trade of Canada and the Condensed Preliminary Report on the Trade of Canada (annual). For a complete list of the publications of this Branch, see Chapter XXVIII, Sect. 1, under "External Trade".