

Coverage.—*Domestic exports* or *exports of Canadian produce* include exports of goods wholly produced in Canada together with exports of previously imported goods that have been changed in form by further processing in Canada. *Re-exports* or *exports of foreign produce* include previously imported goods that are exported from Canada in the same form as when imported.

Imports, for years prior to 1964, include all goods that enter Canada and are cleared through customs for domestic sale or use, i.e., imports on which all duties are paid and which have passed from customs control into the possession of the importer. Goods re-exported without being cleared for domestic consumption are not included. It should be noted that the fact that imports have been *entered for consumption* does not necessarily imply that the goods will all be consumed in Canada but only that consumption can take place without further customs formalities.

Beginning Jan. 1, 1964, Canada's trade statistics are being compiled on a "General Trade" basis, instead of on the "Special Trade" basis used until the close of 1963 and thus used for all figures appearing in this Chapter. The definitions of terms given in the above paragraphs are according to the Special Trade basis. The main difference for figures recorded on the General Trade basis is that imports are entered as such whether the goods are cleared through customs for immediate domestic use or stored in a customs warehouse under customs supervision. Domestic exports remain the same on both bases but re-exports, after Jan. 1, 1964, will include exports from customs warehouses, which were previously excluded. Over a period of years, the totals of Canadian exports or imports will be almost the same on either the General Trade or Special Trade basis, but considerable differences may appear in individual years owing to time of clearance and extent of business activity.

The most important exclusions from export totals are: gold, goods shipped to Canadian Armed Forces or diplomats stationed abroad, goods financed under the Defence Appropriation Act and shipped to other NATO countries, temporary exports for exhibition or competition, fuel and stores sold to foreign vessels and aircraft in Canada, settlers' effects, private donations and gifts, and identifiable tourist purchases.

The most important exclusions from import totals are: gold, goods for use of the United States Armed Forces stationed at treaty bases in Canada, Canadian-owned military equipment returned to Canada, ships imported for use in foreign trade and ships of British construction and registry imported for use in the coasting trade, temporary imports for exhibition or competition, fuel and stores purchased by Canadian vessels and aircraft abroad, settlers' effects, private donations and gifts, tourist purchases exempt from duty, and goods imported for foreign armed forces or diplomats stationed in Canada.

From Jan. 1, 1960, a new category was established in both export and import statistics entitled "Special Transactions—Non-Trade". This category includes certain commodity movements which either have no international financial implications or, for various reasons, are better considered separately from merchandise trade in economic analysis. The value of transactions of these types is now excluded entirely from published totals of Canadian merchandise trade, and do not appear in this volume, but statistics for the classes of this category are contained in the regular monthly export and import reports.

Beginning with statistics for January 1961, a new export commodity classification was used, based on the standard industrial classification developed in the DBS as a tool for integrating statistical series derived from different sources. Whereas the classification previously used classified commodities primarily according to the material of which they were chiefly composed, the new classification places commodities in sections mainly according to stage of processing and purpose, as follows: Live Animals; Food, Feed, Beverages and Tobacco; Crude Materials, Inedible; Fabricated Materials, Inedible; End Products, Inedible; and Special Transactions—Trade.

As part of the change to the new classification, the commodity detail shown in export statistics has been modernized by eliminating statistics on many commodities of minor significance and instituting new classes for many commodities of greater importance. The grouping system employed in the new classification also makes easier the identification of