

condition of imported goods. Since the introduction in January 1964 of the "General trade" system of compilation, re-exports have also included outward movements of goods previously imported but stored in customs warehouses.

Imports, as from January 1964, include all goods cleared by customs immediately on arrival in Canada together with goods that are entered into customs warehouses. For earlier years, imports under the "Special trade" system of presentation included goods cleared immediately on arrival plus goods cleared for consumption out of customs warehouses. This meant that those goods which crossed the national boundary into and out of customs warehouses without crossing the customs boundary were excluded.

Since January 1960 certain commodities have been excluded from both export and import trade statistics but have been published monthly under "Special transactions — non-trade". Besides gold, this category includes commodity movements which either have no international commercial or financial implications or are better considered as non-merchandise transactions in the statistics of Canada's balance of international payments. These are: settlers' effects; private donations and gifts; tourist purchases; goods shipped back and forth across the national boundary by the diplomatic and military personnel of Canada posted abroad and of foreign countries in Canada; temporary movements for exhibition or competition, including films for processing; bunker supplies and stores sold to foreign vessels or aircraft in Canada or purchased by Canadian carriers abroad; and generally, all temporary exports and imports and goods merely moving in transit through Canadian territory.

Other goods crossing the customs frontier without change of ownership, as exemplified by goods exported or imported on a lease or rental basis, are also excluded from trade statistics. The practice in Canadian statistical compilation is to include all processing trade at full value rather than to record only the value added to the goods through processing. In the case of repair and improvement trade the practice, however, has been to include only the added value of the repair work.

Valuation. Export documents define the valuation to be used as f.o.b. (free on board) place of lading, i.e. point of production for the majority of commodities, Vancouver and St. Lawrence ports for grain and oil seeds and the latter for iron ore. The value of goods imported is usually the value as determined for customs purposes based on the fair market value or the selling price, whichever is higher. For entries exceeding \$50,000 in value, however, the selling price is, with certain exceptions, compiled. In the majority of cases, import documents define the valuation to be used as f.o.b. points of shipment in the country of export; however, where importers report c.i.f. (cost, insurance, freight), care is taken to compile f.o.b. values.

Classification. Beginning with statistics for January 1961 and January 1964, detailed commodity statistics for exports and imports, respectively, have been compiled according to revised classifications, on the basis of the Standard Commodity Classification developed by Statistics Canada as a tool for integrating statistical series derived from different sources. The revised classifications place commodities in sections mainly according to stage of processing and purpose, as follows: Live animals; Foods, feed, beverages and tobacco; Crude materials, inedible; Fabricated materials, inedible; End products, inedible; and Special transactions, trade. Previously, commodities were classified primarily according to the material of which they were chiefly composed. This remains the criterion of the Standard International Trade Classification, approved in 1960 by the United Nations Economic and Social Council. Convertibility indexes are available to convert Canadian classifications to the SITC at a detailed level of five digits.

Trade is classified to countries on the basis of consignment. Exports are considered to be consigned to the country to which they are shipped when they leave Canada, i.e. the farthest known destination. Imports are classified to the country from which goods are shipped to Canada, except for goods produced in Central or South America but consigned to Canada from the United States; these goods are credited to the country of origin.

Statistics are compiled and presented for some 150 individual countries, arranged primarily according to geographical location, but also grouped because of common political heritage and tariff arrangements, such as Commonwealth and preferential countries, and of economic links, such as the European Economic Community.

Discrepancies in trade statistics between Canada and other countries. Canada's statistics of exports are rarely in exact agreement with the import statistics of its customers and parallel