

rarely agree with the counterpart statistics of its trading partners. Conceptual differences are most common in statistical treatment of special categories of trade such as military supplies, government-financed gifts of commodities, postal and express shipments, tourist purchases, bunker and warehouse trade, in the definition of territorial areas, and in the system of crediting trade by countries. Differences in collection procedures lead to discrepancies in valuation, since the value of trade can be based on customs value, transaction value, or fair market value with or without the inclusion of transportation charges; in timing, since the definition of a statistical month or year can differ; and in the capture of trade data, since the documentation of export trade tends to be less closely monitored than import trade. The United States and Canada have agreed on concepts and definitions describing a framework within which it has been possible to reconcile differences in trade statistics published by the two countries.

Indexes of price and volume. The price indexes in Table 21.8 are current-weighted and are calculated from price relatives based on 1971 = 100. The weights are trade quantities for the month, quarter or year to which the index refers and hence change from period to period. The volume index is derived by dividing a value index by the corresponding current-weighted price index. The resulting volume index is, therefore, weighted with fixed 1971 price weights. The price indicators selected are either commodity unit values calculated directly from the trade statistics or, particularly in the case of end products, price indexes obtained from other Canadian or foreign statistics.

An explanation of the methodology used to construct the indexes is contained in a reference paper entitled *The 1971-based price and volume indexes of Canada's external trade*, published in December 1976 as a supplement to *Summary of external trade* (Statistics Canada 65-001).

21.6 Federal trade services

Canada's economy is vitally dependent on international trade. Competition among industrial nations is intense and increased exports are not easy to achieve. A successful export trade development program can only be assured by combining good products, efficient production and aggressive, intelligent marketing with government support.

Federal government support for Canadian exporters is provided through the External Affairs Canada programs: program for export market development (PEMD), promotional projects program (PPP) and the Export Development Corp., a Crown agency which reports to Parliament through the minister of international trade.

21.6.1 Department of External Affairs

The **economic and trade policy division** has an ongoing responsibility to apply economic analysis to current export policy issues, and at the same time give full consideration to long-term export policy. It provides support and advice regarding international trade relations. International economics and industrial development are analyzed with emphasis on their significance for the Canadian economy and medium-term economic policy. Canada's situation is studied in terms of world economic development and trade policy options.

The **GATT affairs division** includes a general trade policy bureau and a commodity trade policy branch, responsible for formulating and implementing Canadian trade policy with particular reference to the activities of the General Agreement on Tariffs and Trade (GATT), the Organization for Economic Co-operation and Development (OECD), the United Nations Conference on Trade and Development (UNCTAD) and the trade aspects of domestic industrial and agricultural policies. It is also responsible for commodity trade policy questions generally and in particular the preparation and conduct of the negotiation of intergovernmental commodity arrangements and agreements.

An **export marketing bureau** provides a focus for the management of international marketing efforts. The bureau is responsible for developing and monitoring export marketing plans and strategies. The bureau serves as the secretariat for the Export Trade Development Board, established in 1981 to review recommendations regarding trade development programs and policies.

A **trade relations bureau** implements government policies relating to low-cost imports. Import controls divisions of this bureau are responsible for the control of imports of textiles and clothing (division I) and agricultural, footwear and all other products (division II).

The **five international branches** (Europe, Asia and Pacific, Africa and Middle East, Caribbean and Central America, and the United States) each headed by an assistant deputy minister, are focal points on matters affecting Canada's trade and economic relations with other countries and areas. Branch responsibilities include development of Canada's international trade strategy, market development programs for individual countries and areas and improvement of access for Canadian products to export markets. The branches are centralized sources of information on Canada's trade with specific countries or regions and they provide a regional perspective for matters of both international trade relations and export trade development. They also provide information, advice and guidelines to government agencies and to the business community