



Readers will note that two different trade data concepts are used in the attached tables. Care must be exercised in this regard. The following note explains the differences and recommends when each concept should be used.

Statistics Canada reports merchandise trade statistics on two different bases: customs basis and balance of payments (BOP). Customs based trade statistics reflect information compiled from declarations filed with Revenue Canada - Customs and Excise when goods are imported into or exported from Canada. To file these declarations with Customs, giving detailed information such as description of the goods, origin and port of clearance of commodities and

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The principle difference between these two trade concepts is that Customs based merchandise trade statistics cover the physical movement of goods as they are reflected on customs documents, while Balance of Payments trade data are intended to cover all economic transactions between residents and non-residents which involve merchandise trade. Balance of Payments trade data are important components in the calculation of Canadian GDP estimates and Canada's balance of international payments, that is, current account and capital account. Balance of Payments trade data are also used to determine Canada's contribution to the internationally accepted basis for the analysis of trade performance and are utilized by such organizations as the OECD.

# ECONOMIC AND TRADE STATISTICS MINI DATABASE

Balance of Payments trade data are compiled from Customs based trade data, adjusted to be consistent with National Accounts concepts and definitions. Balance of Payments based trade data:

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- include proceeds of international payments for large military goods;
- provide for the treatment of commodities (gold, uranium) or other ownership changes between Canada and all other countries;
- include mail order purchases;
- exclude the value of exports to the United States;
- exclude more products than the Customs based data on the value for Canadian exports of natural resources (e.g., oil, gas, uranium, etc.);
- include the value of exports to the United States of goods that are not included in the Customs based data (e.g., mail order purchases);
- make period comparisons with the United States, Europe and other major trading partners.

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For consistency purposes, CITE advises and strongly prefers that BOP (rather than Customs based) trade data be used for speeches, press releases and other public information documents, especially when GDP and trade balance data are also cited and comparisons made. However, when trade data analysis on a commodity or sector or on a country-by-country comparison (apart from the Quad or other major trading partners) customs based data are appropriate, as BOP data are not available in such cases. When using this trade data, the end-user should always indicate whether BOP or customs based data are quoted.

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