



**Table C-3: Canadian merchandise trade balance with selected countries:  
published data vs. reconciled data (millions of Canadian dollars, customs basis)**

Year	Mexico		China*		South Korea*	
	<i>Reconciled</i>	<i>Published</i>	<i>Reconciled</i>	<i>Published</i>	<i>Reconciled</i>	<i>Published</i>
1996	-3,414	-4,777	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
1997	-3,931	-5,691	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>	<i>n.a.</i>
1998	-3,941	-6,212	-4,613	-5,158	<i>n.a.</i>	<i>n.a.</i>
1999	-5,034	-7,996	-5,799	-6,261	<i>n.a.</i>	<i>n.a.</i>
2000	-5,711	-10,127	-6,234	-7,615	-2,389	-2,958
2001	-4,991	-9,758	-7,044	-8,507	-1,935	-2,619
2002	<i>n.a.</i>	<i>n.a.</i>	-10,740	-11,885	-2,076	-2,863

\*The 2002 reconciliation data for China and all the South Korean figures are preliminary.

The difference between the figures was most evident concerning trade with Mexico. Since 1996, the discrepancy between the published and reconciled balance of trade with Mexico has increased steadily; in 2001, the deficit estimated from the reconciled numbers was half of that reported in the officially published statistics.

In some cases, the reconciliation results are of such magnitude as to affect the trade surplus/deficit standing of Canada and some of its trading partners.

While all attempts are made to ensure that Canada produces the most accurate trade statistics this is often difficult to accomplish. The bilateral comparison of our published data with that of our trading partner countries makes this obvious.

In general, import data are more accurate than export data. The results from reconciliation studies confirm that exports are often understated. This can be traced, in large part, to country misallocation and undercoverage. While reconciliation studies offer a rough measure of country misallocation and undercoverage, the estimates are not sufficiently 'strong' to permit adjustments to the officially published numbers of either country. They do, however, help improve the understanding of the trade statistics of the two countries.

<sup>1</sup> In July 1987, Canada and the United States signed a Memorandum of Understanding to exchange import statistics starting with January 1990 data. Each country now uses the other country's import data to derive their export statistics.

<sup>2</sup> The data are customs based and have been adjusted to take into account conceptual differences such as re-exports, geography, and insurance and freight.

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