

To deal with this problem, our statistical agencies meet every year to reconcile their data and agree on a single set of figures.

In 1985, for example, U.S. statistics showed a deficit of 21.6 billion dollars on merchandise trade with Canada. Canadian statistics showed a much lower surplus of 15.2 billion dollars. When our respective statistics were reconciled, the agreed figure was 15.6 billion dollars, namely, our figure plus a small fraction.

The 1986 preliminary figures just released by the Department of Commerce give us even more cause for concern and heartburn. These statistics purport to show a U.S. trade deficit of 15.4 billion dollars with Canada for the first 11 months of 1986, while Canadian statistics show a deficit of only 10.6 billion dollars. If, as in past years, the Canadian statistics prove to give the more accurate picture, your most recent statistics will distort our bilateral trade picture by close to 50 percent. This discrepancy will eventually be corrected, but the impression created will never be fully corrected and these misimpressions fuel and fire the forms of protectionism.