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QUARTERLY

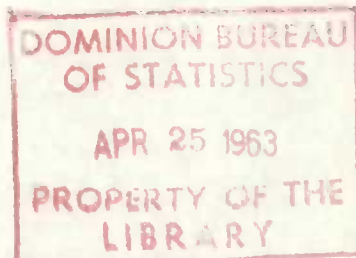


CANADA

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NATIONAL ACCOUNTS
INCOME AND EXPENDITURE
FOURTH QUARTER
AND PRELIMINARY ANNUAL

1962



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In order to obtain a complete historical record of the quarterly National Accounts, the following publication should be consulted:

"National Accounts, Income and Expenditure, by Quarters, 1947-61", for the years 1947-58.



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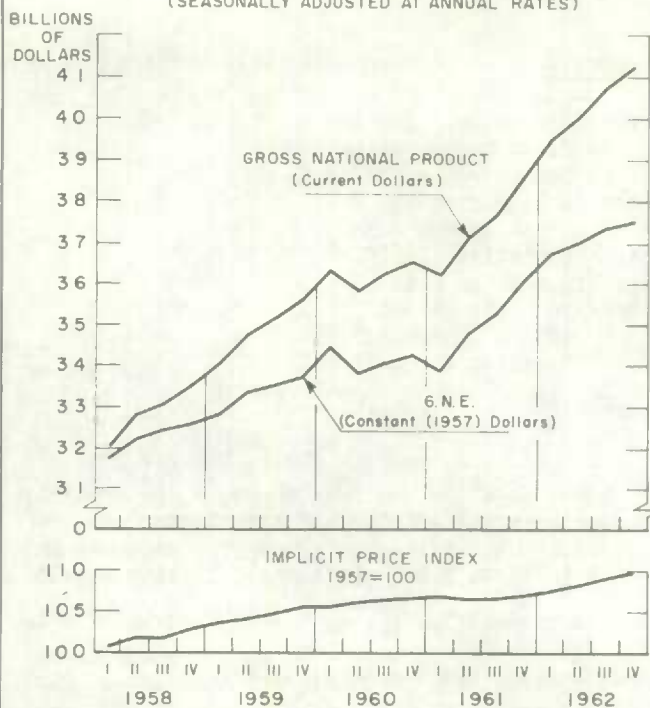
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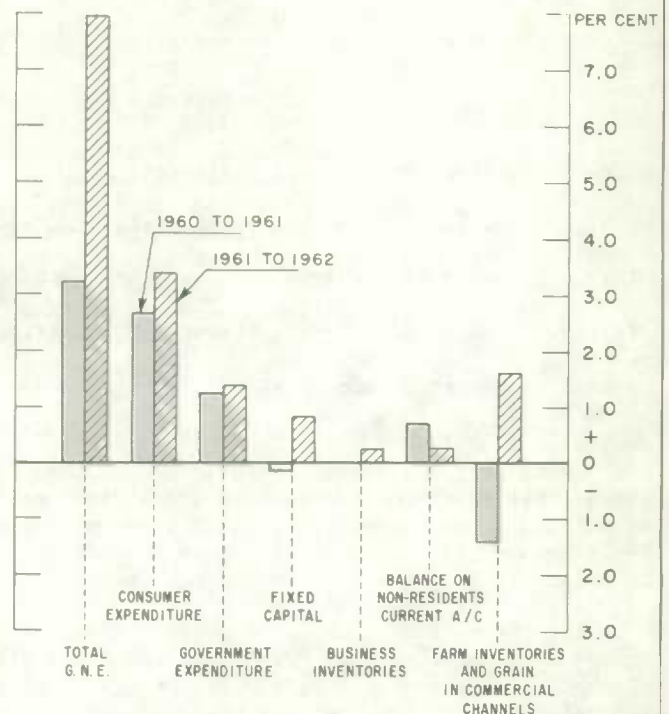
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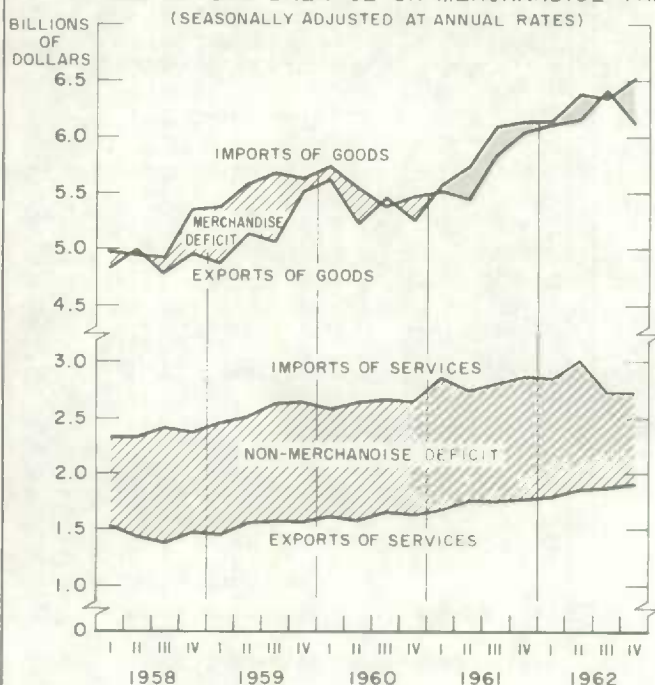
THE ADVANCE IN G.N.P. CONTINUED UNINTERRUPTED CONTRIBUTION TO THE PERCENTAGE CHANGE THROUGH THE YEAR. THE YEAR 1962 WAS 8 PER CENT HIGHER THAN THE PREVIOUS YEAR
(SEASONALLY ADJUSTED AT ANNUAL RATES)



IN G.N.E. BY COMPONENT
(ANNUAL AVERAGES)

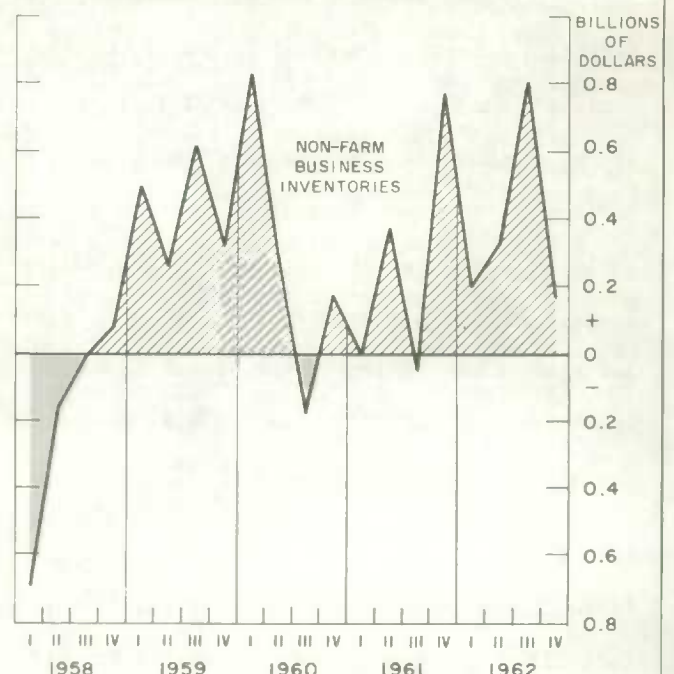


THE TOTAL DEFICIT ON CURRENT ACCOUNT FELL FROM \$0.9 BILLION IN 1961 TO \$0.8 BILLION IN 1962, LARGELY DUE TO A REDUCTION IN THE DEFICIT ON TRAVEL ACCOUNT. IN THE FOURTH QUARTER A SHARP IMPROVEMENT WAS RECORDED IN THE EXPORT BALANCE ON MERCHANDISE TRADE



A BUILD-UP OF STOCKS CONTINUED THROUGHOUT THE YEAR BEING PARTICULARLY PRONOUNCED IN THE THIRD QUARTER

(SEASONALLY ADJUSTED AT ANNUAL RATES)



INTRODUCTORY REVIEW

(This report incorporates revisions to data for the years 1959, 1960, 1961, and the first three quarters of 1962. In large part, the revisions represent information which has become available during the past year from final tabulations of annual survey data. New information from "Taxation Statistics, 1962" has also been incorporated in the figures, as well as the results of the most recent survey, "Private and Public Investment in Canada - Outlook, 1963". The "old" and "revised" Gross National Product series, by quarters, from 1958 to date, are shown in Chart form on page 21).

Gross National Product rose to \$40,401 million in 1962, an 8 per cent advance over the previous year. This expansion represented the largest year-to-year gain since 1956 when the economy was stimulated by an exceptionally high level of capital expenditure. Price increases were moderate in 1962, accounting for less than 2 per cent of the increase in Gross National Product, leaving a gain in volume of a little more than 6 per cent.

All the main components of Gross National Expenditure contributed to the increase in the aggregate. Consumer spending, which rose more than 5 per cent, was a major expansionary influence. The strength in the consumer sector was particularly evident in the first and last quarters of the year; purchases of durables, notably passenger cars, were especially heavy in the fourth quarter. The increase in consumer spending was accompanied by a large rise in personal income and personal saving. Investment in fixed capital resumed its upward course, the bulk of the increased outlays being for machinery and equipment. Except in the third quarter, the accumulation of business inventories made only a modest contribution to the expansion of economic activity. With a near record crop in 1962, in contrast to a poor crop in 1961, there was a considerable accumulation of farm inventories in place of the liquidation of a year earlier. Largely in response to a higher level of demand in the United States, exports of goods and services were up nearly 8 per cent while imports also rose but not to the same extent; these increases reflect, in part, the lower exchange value of the Canadian dollar. Government expenditure was up substantially, mainly reflecting larger outlays at the provincial-municipal level.

The salient developments on the income side were a 7 per cent rise in labour income, an 11 per cent increase in corporate profits, and a sharp expansion in accrued farm income, largely a reflection of a near record crop. Personal income rose at about the same rate as national income.

A brief review of the developments, in current dollars, over the entire period since the trough in economic activity in the first quarter of 1961, cast in terms of major demand components of Gross National Expenditure and compared with the recoveries of 1954-56 and 1958-59, reveals some interesting changes in patterns.

Quarter to Quarter Changes in Final Purchases
(Seasonally Adjusted at Annual Rates)
(millions of dollars)

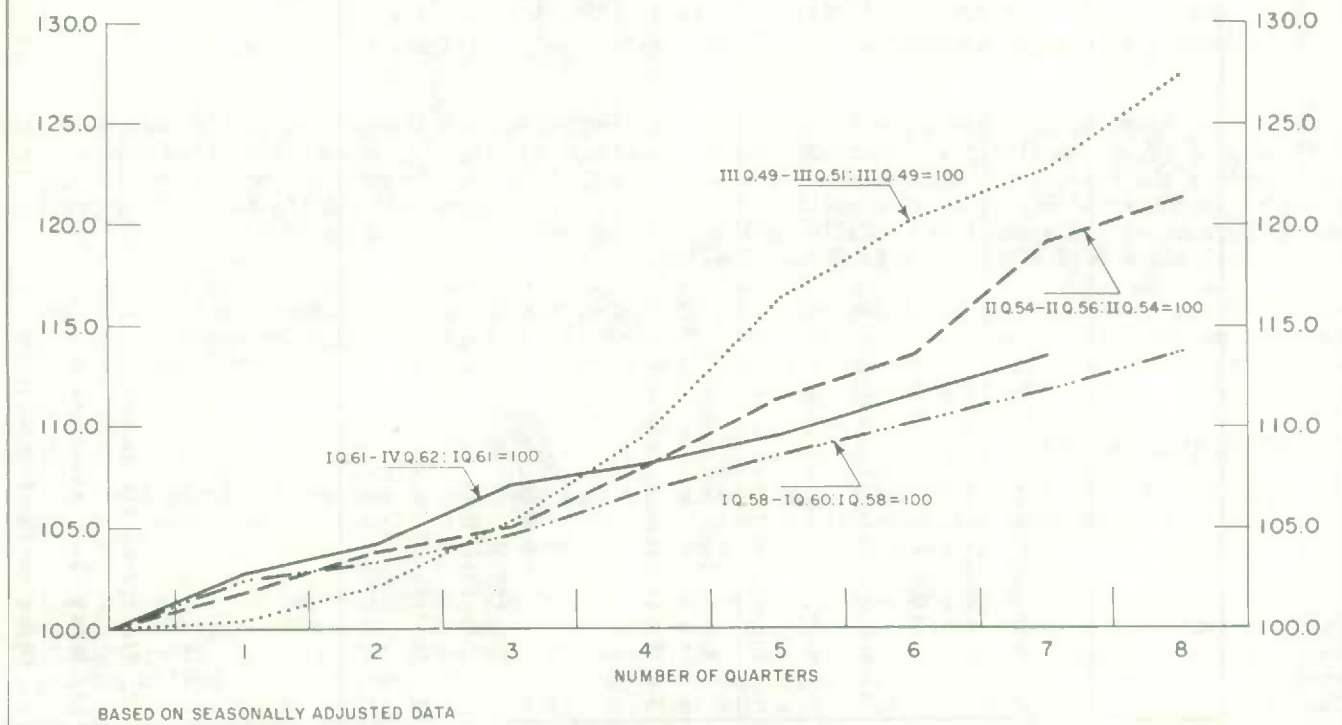
	2Q'59 to 3Q'59	3Q'59 to 4Q'59	4Q'59 to 1Q'60	1Q'60 to 2Q'60	2Q'60 to 3Q'60	3Q'60 to 4Q'60	4Q'60 to 1Q'61	1Q'61 to 2Q'61	2Q'61 to 3Q'61	3Q'61 to 4Q'61	4Q'61 to 1Q'62	1Q'62 to 2Q'62	2Q'62 to 3Q'62	3Q'62 to 4Q'62
1. Personal expenditure	260	292	144	236	244	324	-16	452	360	188	620	52	104	472
2. Government expenditure	-136	92	92	-64	428	-140	240	-12	192	120	-4	516	-76	-48
3. Residential construction ...	-52	32	-120	-204	-4	-8	28	36	48	-20	60	28	52	-24
4. Non-residential construction	-24	32	-20	-72	44	-12	32	28	72	88	-36	-80	-88	64
5. Machinery and equipment	156	-144	144	-68	-104	76	-112	-128	72	24	80	24	192	-4
6. Exports of Goods & Services	-52	428	152	-404	304	-228	376	228	364	56	28	332	-24	188
7. Total final purchases	152	732	392	-576	912	12	548	604	1,108	456	748	872	160	648
8. (Final Domestic demand)	(204)	(304)	(240)	(-172)	(608)	(240)	(172)	(376)	(744)	(400)	(720)	(540)	(184)	(460)
<u>Quarter to Quarter Changes in Other Selected Items</u>														
9. "Shift" in non-farm business inventories	364	-296	508	-552	-456	356	-176	372	-416	820	-576	128	472	-628
10. Imports of Goods & Services	232	-36	52	-156	-120	68	256	-184	464	272	40	204	-32	-304
11. G.N.P. (ex. farm)	452	532	624	-456	348	544	-432	1,000	516	968	452	496	676	672
<u>Constant (1957 Dollars)</u>														
<u>Quarter to Quarter Percentage Changes in Selected Items</u>														
12. Final domestic demand	0.1	0.4	0.5	-1.1	1.4	0.2	0.2	1.0	1.6	0.6	1.2	0.7	-0.2	0.6
13. Total final purchases	-0.1	1.3	0.8	-2.0	1.9	-0.3	1.0	1.4	1.9	0.5	0.9	1.1	-0.3	0.9
14. Gross national expenditure	0.5	0.7	2.0	-1.8	0.7	0.5	-1.0	2.7	1.3	2.2	2.0	0.7	1.0	0.5

Changes in Components of Gross National Expenditure and Other Data

	Per Cent Changes in Year-to-Year		Per Cent Changes over the year (Seasonally Adjusted)	
	1960-1961	1961-1962	IV Q. '60 to IV Q. '61	IV Q. '61 to IV Q. '62
Gross National Expenditure	3.2	8.0	5.7	6.9
Personal Expenditure	4.1	5.2	4.1	5.0
Government Expenditure	6.7	7.2	7.9	5.3
Business Gross Fixed Capital	-0.9	4.8	2.5	4.0
Business Inventories	(\$1 m.)	(\$99 m.)	(\$-600 m.)	(\$-604 m.)
Farm Inventories	(\$-506 m.)	(\$610 m.)	(\$-680 m.)	(\$ 872 m.)
Exports of Goods and Services	8.9	7.8	14.9	6.6
Imports of Goods and Services	4.5	5.7	9.9	-1.0
Net National Income	3.2	8.1	5.7	6.8
Wages and Salaries	4.5	6.8	6.0	6.1
Corporation Profits Before Taxes ^{1/}	3.0	10.5	22.0	3.5
Rent, Interest, etc.	7.6	5.3	8.1	8.0
Farm Income - Accrued	-17.7	42.7	-27.1	39.3
Unincorporated Business Income - Non-Farm..	3.4	4.0	6.1	1.5
Personal Disposable Income	3.8	8.0	4.5	6.6
Net Personal Saving	(\$-30 m.)	(\$822 m.)	(\$152 m.)	(\$500 m.)

^{1/} Before deducting dividends paid to non-residents.

INDEX OF G.N.P. (EX. FARM) OVER 8 QUARTERS OF POST-WAR EXPANSIONS



The relative overall strength of the present recovery rests mid-way between the exceptionally sharp rise in production in the 1954-56 period and the moderately paced increase in 1958-59. The underlying strength of the 1954-56 expansion in domestic demand was not fully reflected in Canadian production because of the high proportion which was met by imports of goods and services. In that respect, the present recovery differs from both the two previous expansions.

Exports of Canadian goods and services have been strong in 1961-62, and the rise of 16 per cent has out-paced that of the 1958-59 period. However, probably one of the most important developments in the expansion has been the apparent emergence of a slow-down in the rate of increase of imports. This has occurred over a period of considerable price rises reflecting exchange depreciation and in the latter half of 1962, temporary import surcharges. A larger proportion of demand is currently being met from Canadian production; the rise in imports was 6 per cent compared with 13 per cent in 1958-59 and 33 per cent in 1954-56.

Changes in Demand (Current Dollars) Over Three Post-War Expansions ^{1/}
(Seasonally Adjusted at Annual Rates)

	Per Cent Changes			Per Cent Contribution to GNE Changes ^{2/}		
	2Q. '54 to 1Q. '56	1Q. '58 to 4Q. '59	1Q. '61 to 4Q. '62	2Q. '54 to 1Q. '56	1Q. '58 to 4Q. '59	1Q. '61 to 4Q. '62
Gross National Expenditure	20.0	11.0	13.8	100.0	100.0	100.0
Personal Expenditure	13.7	10.5	9.4	44.6	61.9	44.8
Non-Durable Goods	(10.7)	(7.8)	(8.7)	(18.6)	(23.7)	(20.9)
Durable Goods	(19.7)	(7.9)	(18.5)	(7.7)	(5.4)	(9.4)
Services	(16.1)	(15.3)	(7.3)	(18.2)	(32.7)	(14.5)
Government Expenditure	14.6	10.3	9.7	13.3	17.2	13.7
New Residential Construction	36.0	5.9	12.7	8.5	2.7	3.6
New Non-Residential Construction	35.4	-8.5	1.8	11.9	-6.9	1.0
New Machinery and Equipment	19.4	5.2	10.2	7.9	3.6	5.2
Non-Farm Business Inventories	(\$1308m.)	(\$1008m.)	(\$172 m.)	26.6	28.4	3.4
Farm Inventories and GICC	(\$ 372m.)	(\$ 84m.)	(\$596 m.)	7.6	2.4	11.9
Exports of Goods and Services	20.7	11.7	16.1	21.6	20.9	23.4
Imports of Goods and Services	33.5	13.2	5.5	-38.2	-27.2	-9.2

^{1/} Troughs in general business activity 2Q. '54, 1Q. '58, and 1Q. '61.

^{2/} Columns will not add to 100.0 exactly as residual error of estimate is omitted.

Capital spending on housing and business plant and equipment has shown considerably more strength than in 1958-59, particularly non-residential construction. However, the demand for fixed capital is not exerting the same degree of expansionary pressure as in 1954-56. Demands on production for purposes of inventory accumulation were small in the current period compared with the two earlier periods, partly because of ample supplies, relative price stability and the fact that no major reduction in stocks took place during the prior business slow-down.

Over the seven quarters since the beginning of 1961 to the end of 1962 consumer and government spending on goods and services both moved ahead by about 10 per cent, although increased spending by consumers accounts for a much lower proportion of the increase in Gross National Expenditure in the current period than in the 1958-59 expansion.

Production and Employment

Real output for 1962 was higher by just over 6 per cent than the corresponding figure for 1961. If agriculture is excluded, this increase amounted to about 5 per cent. The 8 per cent gain in the goods-producing industries is reduced to 7 per cent in the same manner.

Manufacturing, with an 8 per cent gain was the largest single contributor to the expansion during 1962, accounting for approximately one-third of the total increase. The considerable advance (11 per cent) in the cyclically volatile durables component formed the basis for this growth, with particular strength occurring in the transportation equipment and the electrical apparatus and supplies groups. Iron and steel and non-metallic mineral products increased by 9 per cent each. Non-durable

manufacturing during 1962 continued to expand, showing a 5 per cent increase over 1961, with the largest gain of any major industry group in textile products (8 per cent), and the smallest (2 per cent) in the leather and clothing product groups.

Considerable gains were also made in mining and forestry, which increased by about 7 per cent each, while construction expanded by 2 per cent.

The service-producing industries showed a 4 per cent gain, about two-fifths of which was accounted for by a considerable increase in wholesale trade (8 per cent), and retail trade (4 per cent), which paralleled the rapid expansion in manufacturing output. The most significant development within retail trade was an 11 per cent increase in the motor vehicle dealer component. Oil and gas pipeline transport accounted for about half of the 4 per cent increase in transportation, as the growth in output of this industry was well above average. The only major decline (12 per cent) occurred in storage, largely as a result of declines in the volume of receipts and shipments at grain elevators during the first part of the year. Public administration and defence showed a smaller than average gain (2 per cent), while electric power and gas utilities increased by 6 per cent. The remaining service-producing industries continued their steady advance, increasing by approximately 4 per cent.

Employment by Industry ^{1/}
(Estimates in Thousands)

	Average Year 1961	Average Year 1962	Per Cent Change Men	Per Cent Change Women	Per Cent Change Total
Agriculture	674	653	-4.1	8.8	-3.1
Other Primary Industries	183	177	-2.8	2/	-3.3
Manufacturing	1,515	1,567	3.7	2.9	3.4
Construction	406	429	5.6	-	5.7
Transportation and Other Utilities ...	509	527	3.9	1.4	3.5
Trade	983	1,002	1.5	3.2	1.9
Finance, Insurance, and Real Estate ..	239	248	3.1	4.6	3.8
Government Service	382	390	2.1	3.3	2.1
Non-Government Service	1,160	1,225	7.8	4.0	5.6
Total Employed	6,049	6,217	2.5	3.5	2.8
Total Employed Ex. Agriculture ...	5,375	5,564	3.6	3.5	3.5

^{1/} Includes self-employed persons and unpaid family workers.

^{2/} Total number of women employed in Other Primary Industries is less than 10,000.

The market for labour improved in 1962. The total number of employed persons increased by nearly 3 per cent, and the non-agricultural component of this number increased by $3\frac{1}{2}$ per cent. In contrast to the previous year, when the rate of rise in the employment of women substantially exceeded that of men, both men and women shared equally in the increase in 1962. Gains in employment occurred in all industries except agriculture and other primary industries, the largest increase being in construction and non-government service (community, business, personal, and recreational service). The average rate of unemployment in 1962 was 5.9 per cent of the labour force, compared to the rate of 7.2 per cent in 1961.

The changes in male, female and total employment by broad industry groups are shown in the accompanying table.

Value, Volume and Price

Prices rose appreciably more in 1962 than in the previous year. All the major components of demand showed price increases, ranging from 1.5 per cent in consumer expenditure to 3.7 per cent in government expenditure. Prices of imports rose 4.4 per cent, largely as a result of the depreciation of the Canadian dollar. This increase is not reflected in the overall implicit price index of Gross National Expenditure since imports are excluded by definition from Canada's Gross National Product.

In volume terms, all components with the exception of non-residential construction advanced from 1961 to 1962. Year-to-year changes in value, volume, and price are given in the accompanying table.

Percent Changes - Value, Volume, and Price

	<u>1960</u> <u>1959</u>			<u>1961</u> <u>1960</u>			<u>1962</u> <u>1961</u>		
	Value	Volume	Price ^{1/}	Value	Volume	Price ^{1/}	Value	Volume	Price ^{1/}
Personal Expenditure	4.1	3.0	1.1	4.1	3.2	0.9	5.2	3.7	1.5
Goods	2.9	2.5	0.4	3.5	3.2	0.2	5.6	4.6	1.0
Services	6.1	3.8	2.2	5.2	3.2	1.9	4.5	2.1	2.3
Government Expenditure	4.1	0.8	3.3	6.7	4.6	1.9	7.2	3.3	3.7
Business Gross Fixed									
Capital	-2.9	-5.0	2.2	-0.9	-1.8	0.9	4.8	2.2	2.5
New Residential Construc-									
tion	-16.8	-19.0	2.7	1.0	0.4	0.6	8.2	5.2	2.8
New Non-Residential Con-									
struction	-0.5	-2.8	2.4	4.1	3.7	0.4	-0.6	-2.5	2.0
New Machinery and Equip-									
ment	3.9	2.0	1.9	-6.7	-8.1	1.6	8.6	5.6	2.9
Exports of Goods and									
Services	4.9	4.1	0.7	8.9	7.5	1.3	7.8	4.4	3.2
Total Final Demand	3.1	1.6	1.5	4.5	3.4	1.0	5.9	3.5	2.3
Imports of Goods and									
Services	0.5	-0.5	1.0	4.5	1.1	3.3	5.7	1.3	4.4
Gross National Expenditure.	3.8	2.2	1.6	3.2	2.6	0.6	8.0	6.2	1.7

^{1/} Implicit Price Indexes.

In contrast to the year-to-year change, the following table shows that the value increase of 5.7 per cent from the fourth quarter 1960 to the fourth quarter 1961 was almost as large as the 6.9 per cent which occurred during the same time span ending in 1962. However, a major part of the price increase from the end of 1960 to the present occurred within 1962 and consequently, the volume of production showed a smaller gain during 1962 than 1961.

Percent Changes - Value, Volume, and Price

	<u>IV Q. 1961</u> <u>IV Q. 1960</u>			<u>IV Q. 1962</u> <u>IV Q. 1961</u>		
	Value	Volume	Price ^{1/}	Value	Volume	Price ^{1/}
Personal Expenditure	4.1	3.5	0.6	5.0	3.1	1.9
Government Expenditure	7.9	5.7	2.0	5.3	1.2	4.0
Business Gross Fixed Capital	2.5	1.5	1.0	4.0	0.9	3.0
Exports of Goods and Services	14.9	11.9	2.7	6.6	4.1	2.5
Imports of Goods and Services	9.9	5.0	4.7	-1.0	-3.6	2.7
Gross National Expenditure	5.7	5.4	0.3	6.9	4.2	2.6

^{1/} Implicit Price Indexes.

In the current period, prices increased by about one-half per cent from the third to the fourth quarter, about the same magnitude as the increase in the previous quarter.

Personal Expenditure

A strong upward movement from the fourth quarter of 1961 in a number of income components raised the level of personal disposable income 6½ per cent by the final quarter of 1962. This increase allowed a strong expansion in consumer spending and also a higher level of personal net saving.

The expansion of 5 per cent in personal expenditure, which took place mainly in the first and final quarters of the year, was the strongest since the expansion in 1959 and was largely attributable to a particularly sharp increase in net purchases of new and used automobiles -- motor vehicle dealers' sales rose by 11 per cent. Purchasing of durable goods in total was higher by 8 per cent in 1962 in contrast to the lack of any strong movement in either of the years 1960 and 1961; prices were unchanged, indicating an equivalent rise in volume. Consumer spending on non-durable goods also rose but more in line with the annual increases which have been experienced in recent years. An increase of 5 per cent from 1961 to 1962 compares with 4 per cent in the two previous years. A part of this slightly larger increase reflects the first full-year's impact of the Ontario Sales Tax which was introduced in September 1961. Spending on food, tobacco and alcohol all contributed to the overall picture of strength as their rate of increase was significantly higher than between 1960 and 1961. Price increases of about 1 per cent associated with consumer goods in total were mainly a reflection of non-durable good price increases.

Personal Expenditure - Percent Change

	Year 1960 to Year 1961	Year 1961 to Year 1962
Total Non-Durables	4.0	5.1
Food	1.7	3.3
Clothing	1.6	3.7
Other	8.2	7.8
Total Durables	1.1	8.0
New and Used Automobiles	0.5	14.0
Other	1.6	2.8
Total Goods	3.5	5.6
Total Services	5.2	4.5
Total Personal Expenditure	4.1	5.2

There was a continuation of the slackening rate of increase in personal expenditure on services which has been apparent in recent years -- expenditures rose by 4½ per cent. In part, this reflected significant movements in personal spending of non-residents in Canada and of Canadians travelling abroad. Abstracting this influence, outlays for services increased by 6 per cent. The increases were general, although a diminished rate of growth in spending on shelter was noticeable as increases in rental rates became less pronounced, a tendency which has become apparent since 1960.

Business Gross Fixed Capital Formation

Capital expenditure in 1962 amounted to \$7.0 billion, nearly 5 per cent higher than in the previous year. Roughly similar rates of increase, over 8 per cent, occurred in outlays for housing and for machinery and equipment; expenditure on non-residential construction showed little change. Total capital outlays anticipated by business for the year 1963, as published in "Private and Public Investment in Canada - Outlook, 1963" are 4½ per cent higher than those realized in 1962. However, the strength this year is expected in outlays for non-residential construction and to a lesser extent in outlays for machinery and equipment; expenditure for housing is expected to be somewhat lower than in 1962.

The rise in fixed capital formation in 1962, mainly a result of the strength in demand for producers' durable equipment, occurred in the first three quarters of the year. This strength was centred in the primary metal manufacturing industries, mining and agricultural sectors of the economy, the latter probably reflecting to some extent spending from the higher farm incomes received during the year. Although there was little change from 1961 to 1962 in the value of construction of non-residential buildings and works, there were offsetting movements within the year. Expansion took place in spending for plant and equipment by manufacturers; the utilities spending programme appeared on balance slightly lower, with increased spending by electric power and telephone utilities more than offset by completion of a large-scale pipeline construction programme. Offsets also occurred between higher outlays by the agricultural and fishing industries and lower mining construction spending.

The rise in housing expenditure in 1962 reflects the increase not only of a higher number of housing starts, but a larger carry-over of houses under construction at the beginning of 1962 than in the previous year. Starts rose from 125,577 in 1961 to 130,095 in 1962, approximately 4 per cent, while completions were higher by 9½ per cent, increasing from 115,608 in 1961 to 126,682 in 1962. The increase in starts of rental dwellings more than offset a decline in starts of dwellings for home-ownership, and partly associated with this trend was an increase in conventional mortgage lending and a shift away from financing under the National Housing Act.

Although expenditure on housing of \$1,577 million in 1962 showed a sharp increase of more than 8 per cent above 1961 and starts were relatively stable during the year, there was some evidence of weakening in the final quarter of the year; however, dwelling starts in centres of population of 5,000 or more were stronger again in the opening months of 1963.

Investment in Non-farm Business Inventories 67

Investment in business inventories played only a small part in the expansion of Gross National Product in 1962. For the year as a whole the addition to stocks amounted to \$375 million, although in the third quarter of the year stock-building at an annual rate of \$800 million was very important.

Non-farm Business Inventories (millions of dollars)

Industry	1958	1959	1960	1961	Quarters 1962				1962
					(Seasonally Adjusted at Annual Rates)				
					(1)	(2)	(3)	(4)	
Manufacturing	-149	151	104	81	128	-12	396	156	167
Wholesale	-44	123	18	87	-48	-96	72	132	15
Retail	10	123	192	111	-40	232	388	-16	141
Other	-14	24	-39	-3	160	204	-56	-100	52
Totals ...	-197	421	275	276	200	328	800	172	375

The largest build-up of stocks occurred in manufacturing industries, with widespread accumulation in both durable and non-durable lines. The ratio of stocks to shipments throughout the year remained below the average of the previous year.

The accumulation of stocks in wholesale trade was virtually negligible, the liquidation in the first half of the year being largely offset by accumulation in the second.

There was a considerable accumulation of stocks in the hands of retail dealers. Most of this accumulation was in the hands of automotive dealers, where sales were sharply higher and stocks had been drawn down slightly in the previous year.

Exports and Imports of Goods and Services

Some of the most notable developments of the year occurred in the field of foreign trade where both exports and imports of goods and services rose to record levels. Exports amounted to \$8.2 billion, close to 8 per cent higher than in 1961, the rate of increase for goods being somewhat higher than for services. At the same time, imports of goods and services reached a value of \$9.0 billion,

nearly 6 per cent above the level of 1961; all the increase was in the merchandise part of the account. The result was that the deficit on international current account fell from about \$0.9 billion to about \$0.8 billion, all of the improvement occurring in the non-merchandise items.

The pattern of trade in 1962 was affected, among other things, by the stabilization of the Canadian dollar in May at 92½ cents in terms of United States currency. Furthermore, the foreign exchange crisis in June 1962 culminated in government action to relieve pressure on the Canadian dollar, to bring about a greater stabilization in Canada's international transactions, and to strengthen the exchange reserves. The net effect of these factors in terms of Canadian production was to contribute to an increase in exports of Canadian goods and services and to lower the portion of domestic demand being met from foreign sources. The deficit with non-residents on current account, on a year-to-year basis, showed a fairly small change but within the year it declined progressively from just over \$1.0 billion in the first quarter to less than half that in the final quarter, although some of this improvement may have been due to a decline in imports from an irregularly high third quarter level.

The rise in exports of goods occurred mainly in the second quarter of the year, but the high level was sustained throughout the remainder of the year. It is attributable in part to the economic expansion in the United States (the increase in exports to the United States on a year-to-year basis was greater than the total increase in exports), in part to the effect of changes in the exchange rate, and in part to aggressive export sales promotion by both business and government. Although newsprint and wheat remained the two principal commodity exports, the level of exports for both of these was lower than in 1961. The major gains were in sales abroad of iron ore, crude petroleum and natural gas. Of less importance in dollar terms, but items in which very substantial advances were recorded, were non-farm machinery, aircraft and parts, aluminum and lumber and products. Almost three-quarters of the increase in exports was attributable to the six commodity groups noted above.

Exports and Imports of Merchandise and Services
(Quarters Seasonally Adjusted at Annual Rates)

	Year 1961	1Q	2Q	3Q	4Q	Year 1962	Percent Change 3Q to 4Q	Percent Change Year '62 Year '61
<u>Exports:</u>								
Merchandise	5,889	6,152	6,404	6,376	6,524	6,364	2.3	8.1
Services (including interest & dividend receipts) ..	1,742	1,788	1,868	1,872	1,912	1,860	2.1	6.8
Interest and dividend receipts	(209)	(192)	(212)	(220)	(220)	(211)	n.c.	1.0
Total	7,631	7,940	8,272	8,248	8,436	8,224	2.3	7.8
<u>Imports:</u>								
Merchandise	5,716	6,120	6,172	6,424	6,120	6,209	-4.7	8.6
Services (including interest & dividend payments) ..	2,826	2,852	3,004	2,720	2,720	2,824	n.c.	-0.1
Interest and dividend payments	(770)	(760)	(848)	(728)	(788)	(781)	8.2	1.4
Total	8,542	8,972	9,176	9,144	8,840	9,033	-3.3	5.7

Receipts for services also rose sharply between the first and second quarter and then remained at the new high level. This increase was primarily due to the increased travel expenditures of foreigners, encouraged in part by the more favourable rate of exchange, and to an increase in receipts of interest, and freight and shipping services resulting from the increased volume of merchandise exports, such as iron ore, petroleum and natural gas.

Imports of goods rose through the first three quarters of the year, in spite of an unfavourable exchange rate, which raised the price of imports to Canadians, and in spite of the imposition of an import surcharge on certain classes of goods at mid-year, which had the same effect. However, in the final quarter of the year imports fell off sharply, reflecting in part the earlier changes, including the unusually high level of the previous quarter. Even with this decline at the year-end, imports of goods for the year were the highest on record, although some of the increase was, as in exports, due to the change in the exchange rate. Although details of imports for the full year are not as yet available, the figures for the first three quarters of the year indicate a particularly sharp pick-up in non-farm machinery, electrical apparatus, automobiles and parts, all of which are consistent with the strong demand, noted earlier, for producers' durables and automobiles. However, increases in the level of imports seem general and occur in almost all classes of goods on a year-to-year basis. About 80 per cent of the annual increase in merchandise imports arose from increased purchases from the United States.

Payments for services rose to a peak in the second quarter of 1962, reflecting accelerated transfer of interest and dividends on non-resident investment, larger payments for business services and the continued high level of Canadians' travel expenditures abroad; they fell back in the third quarter and remained stable in the latter part of the year. The reductions were largely a result of lower travel expenditures, a reduced rate of payments of dividends, and a decline in miscellaneous expenditures.

Domestic Exports
(Percent Change)

Leading Commodities	1Q '62 1Q '61	2Q '62 2Q '61	3Q '62 3Q '61	4Q '62 4Q '61	12 Mos. '62 12 Mos. '61
Newsprint paper	-2.4	-0.7	-4.9	3.5	-1.1
Wheat	13.9	2.4	-36.2	-5.5	-9.1
Lumber and timber	12.4	13.9	12.6	8.1	11.8
Wood pulp	11.6	7.8	4.4	3.3	6.6
Uranium ore	-6.4	-8.1	-18.6	-20.0	-13.9
Aluminum and products	0.9	25.6	23.8	15.2	16.8
Nickel	6.3	6.2	0.9	-34.2	-7.4
Copper and products	-15.8	20.1	12.0	3.7	4.3
Petroleum, crude	104.7	65.1	29.1	32.6	52.6
Iron ore	80.0	137.5	41.2	37.4	62.3
Total Domestic Exports	10.1	14.5	1.7	5.7	7.7
<u>Leading Countries</u>					
United States	25.6	23.0	11.0	8.1	16.1
United Kingdom	-12.4	13.1	-1.0	1.0	n.c.
European Common Market Countries	-20.0	4.7	-17.5	20.3	-2.3
Japan	5.1	-5.3	-18.8	-6.2	-7.3
Other	1.6	-0.3	-11.1	-1.8	-3.3

The Government Sector

Expenditure on goods and services of all levels of government combined rose by 7 per cent from 1961 to 1962, with divergent movements concealed in the total figures. Purchases by provincial and municipal governments rose by over 11 per cent reflecting the increased building of vocational schools under the federal-provincial cost-sharing plan; this is in contrast to the 1 per cent increase at the federal level, where the 4 per cent expansion of defence outlays was almost offset by the fall in non-defence expenditures. Within 1962, total government purchases rose sharply from the first to the second quarter but declined gradually thereafter, reflecting the contraction in the spending by the federal government.

Total expenditures of federal, provincial, and municipal governments combined, excluding inter-governmental transfers, advanced by over 7 per cent from 1961 to 1962 with all major components of expenditure contributing to the increase.

Transfer payments to persons from all governments advanced by more than 7 per cent. At the federal level, primarily because of the rate increase in monthly payments from \$55 to \$65 in February 1962, the outpayments from the Old Age Security Fund rose by nearly 20 per cent; this was largely offset by a decline of more than 17 per cent in unemployment insurance benefits paid, reflecting the improved employment situation. Provincial transfers to hospitals under the Hospital Insurance and Diagnostic Services Act were higher by almost 10 per cent.

Subsidies paid by the federal government showed an increase of nearly 18 per cent, principally because of the loss incurred by the Agricultural Commodities Stabilization Board.

At the combined level, all revenue components showed increases in 1962 over the previous year, but there were offsetting changes in personal direct taxes at the federal and provincial levels of government because of the introduction of the new federal-provincial tax arrangements. All provinces levied a personal income tax in 1962; formerly the federal government had made payments to most provinces under the federal-provincial tax agreements and these payments were included in federal transfers to provincial governments. Nevertheless, federal transfer payments to provincial-municipal governments rose slightly between the two years, mainly because of considerably higher contributions to provinces under the Hospital Insurance and Diagnostic Services Act, and on behalf of vocational training. The federal transfer payments to the provinces under the former federal-provincial taxation agreements did not lapse until the second quarter of 1962 while the new direct provincial tax began in the first quarter of 1962, resulting in an overlap in the first quarter. As a consequence, federal expenditure and provincial-municipal governments' revenue were irregularly high in that quarter, thus affecting the 1962 annual totals.

Federal indirect tax revenue was up close to 10 per cent, reflecting in part the imposition of the temporary surcharges announced in June, 1962, and the rise in the value of imports between the two years. There was an increase in revenue from indirect taxes of more than 13 per cent at the provincial-municipal level, including increases in receipts from provincial sales tax of over 60 per cent (mainly because of the introduction of a sales tax in Ontario in September, 1961), from provincial gasoline taxes of over 7 per cent, and from municipal real property taxes of about 8 per cent.

Although there was a considerable rise in total expenditures of all governments combined, the increase in revenues was even larger with the consequent effect that the deficit on a national accounts basis declined significantly from \$905 million in 1961 to \$770 million in 1962. There was a substantial drop of more than one-third in the deficit at the provincial-municipal level but an increase of almost 5 per cent in the federal deficit. These changes, however, reflect to some extent the effects of the transition from the previous tax-sharing arrangements to the new procedure for apportioning taxes between the federal and provincial governments.

Government Expenditure and Revenue

	1961	1962	Per Cent Change
	(\$ millions)		
Government Expenditure:			
Goods and services	7,205	7,721	7.2
Transfer payments to persons	3,408	3,652	7.2
Interest on public debt	1,164	1,274	9.5
Subsidies	254	291	14.6
Totals ^{1/}	12,031	12,938	7.5
Government Revenue:			
Direct taxes - persons	2,511	2,714	8.1
Direct taxes - corporations	1,612	1,750	8.6
Withholding taxes	116	125	7.8
Indirect taxes	4,970	5,552	11.7
Investment income	1,130	1,211	7.2
Employer-Employee contributions	787	816	3.7
Totals ^{1/}	11,126	12,168	9.4
Deficit	905	770	-14.9

^{1/} Excludes inter-governmental transfers.

Income Flows

Labour Income

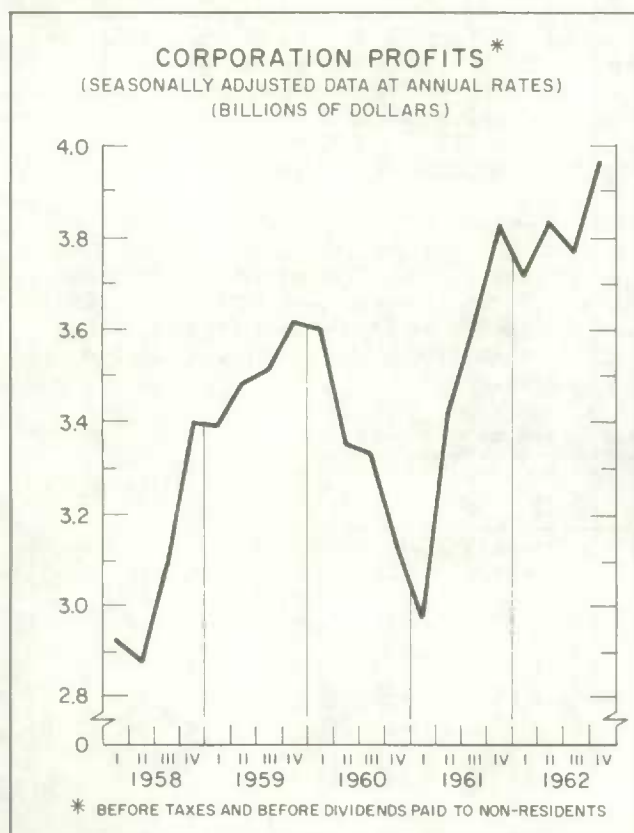
In 1962 labour income reached an estimated total of \$20.4 billion, nearly 7 per cent higher than in the previous year. An increase in labour inputs as well as in labour prices contributed to the rise. Labour income rose most rapidly in the early part of the year.

As in the recent past, the largest gains in labour income among the major industries occurred in the non-government service group (close to 11 per cent). The next highest rate of change was in construction (more than 8 per cent).

In 1962 more than 42 per cent of wages and salaries originated in goods-producing industries and the remainder in service-producing industries in comparison with the beginning of the post-war period when the contribution of the two segments to the total was about equal. This changed relationship reflects the tendency in the post-war period for wages and salaries to rise more rapidly in the service-producing than in the goods-producing industries.

Investment Income

Corporation profits (before taxes and before dividends paid to non-residents) continued to remain at record levels in 1962. During the first three quarters of the year, profits tended to level off at the peak attained in 1961, but showed a gain in the fourth quarter. This pattern of quarter-to-quarter movement differed considerably from that of 1961 when a steady rise from the trough of the first quarter took place. For the year as a whole, however, they increased by 10½ per cent to \$3.8 billion. All industries showed strength except wholesale trade, and finance, insurance, and real estate. Manufacturing, particularly metal industries (including transportation equipment), mines, quarries and oil wells, and retail trade showed notable gains.



Rent, interest, and miscellaneous investment income rose by about 5 per cent in 1962. All components showed gains except net residential non-farm rents (paid and imputed), which were estimated to have fallen as the rate of increase in gross rents slowed down while operating expenses indicated no such change. The trading profits of government business enterprises showed a substantial increase of about 9 per cent in the year.

Interest, dividends, and net rental income of persons was up about 7 per cent, mainly as a result of a rise in bond interest and in dividends received.

Corporation Profits - Selected Industries
(Percent Change)

	1961 to 1962	3Q 1962 to 4Q 1962
		(Seasonally Adjusted)
Mines, quarries and oil wells	13.6	6.4
Manufacturing Industries:	17.2	2.9
Wood industries	23.2	-28.0
Paper and allied industries	9.3	-16.4
Metal industries (including transpor- tation equipment)	32.2	7.1
Electrical products industries	58.9	33.3
Non-metallic mineral products indus- tries	27.1	22.7
Petroleum and coal products industries..	3.0	15.6
Transportation, storage and communication.	6.5	6.4
Wholesale trade	-5.2	21.8
Retail trade	17.8	31.5
Finance, insurance and real estate	-3.6	1.6
Total All Industries	10.5	5.2

Accrued Net Income of Farm Operators From Farm Production

Accrued net income of farm operators reached a level of \$1.4 billion in 1962, over 40 per cent higher than the estimate for 1961, and the highest level attained since the mid-fifties. Although cash receipts from the sale of farm products were at an all-time high, the largest part of the increase in accrued net income can be attributed to the greatly increased production of grains in Western Canada, resulting in a build-up of inventories on farms. The 1962 estimate of the value of crop production is \$1.2 billion, about \$550 million higher than the 1961 estimate.

Farm cash receipts, the largest component of farm net income, increased over 4 per cent in 1962. Major items contributing to the increase were larger participation payments by the Canadian Wheat Board and higher returns from the sale of wheat, oats, cattle and calves, poultry, and dairy products.

Farm operating expenses showed a further increase in 1962, slightly dampening the increase in gross income. Contributing to the increase were substantially higher outlays for farm rents, livestock feeds, and the operation of farm machinery, including repairs.

	1961	1962	Change 1962 1961	Per Cent Change 1962 1961
		(\$ millions)		
Farm Cash Income	2,954	3,081	127	4.3
Income-In-Kind	343	340	-3	-0.9
Farm Inventory Change	-288	149	437	-
Gross Income..	3,009	3,570	561	18.6
Deduct:				
Farm Operating Expenses	1,699	1,803	104	6.1
Depreciation	308	312	4	1.3
Add:				
Adjustment on Grain Transactions ^{1/} ..	26	-11	-37	-
Other Adjustments	-53	-53	-	-
Accrued Net Income of Farm Operators..	975	1,391	416	42.7

^{1/} This adjustment takes account of the undistributed profits of the Canadian Wheat Board.

Net Income of Unincorporated Business Non-Farm

In a comparison with the year 1961, net income of non-farm unincorporated business increased 4 per cent in 1962 to a level of \$2.4 billion. Net income in most industry groups showed some increase with the greatest increase occurring in the retail trade, construction, community service and fishing industries. Slight declines were registered in the transportation and finance industries.

THE FOURTH QUARTER

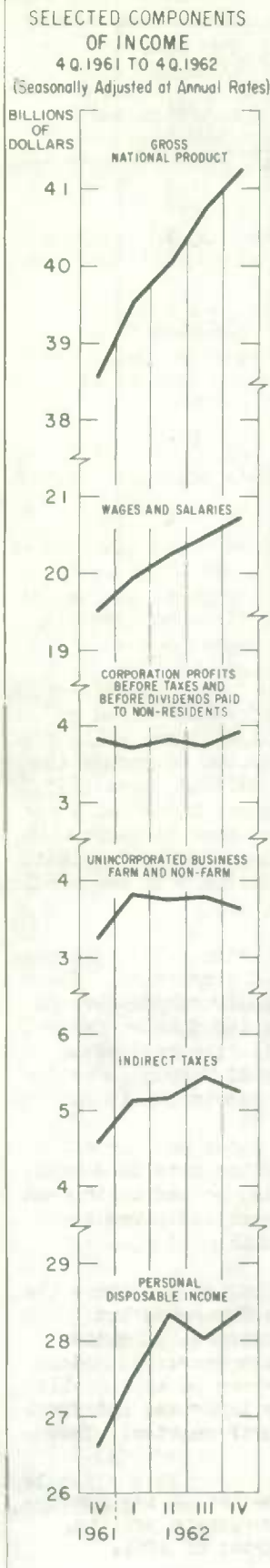
The expansion in economic activity, which began early in 1961, continued in the fourth quarter of 1962, when Gross National Product reached a seasonally adjusted annual rate of \$41,252 million, a little more than 1 per cent higher than in the previous quarter. About half of the rise in Gross National Product reflects higher prices and the remainder an advance in the volume of production. The increase in real Gross National Product was the smallest recorded since the first quarter of 1961.

An important contribution to the rise in economic activity came from the near 2 per cent increase in consumer purchases, with the emphasis falling heavily on durable goods and on motor cars in particular. International transactions had a favourable effect on domestic production and on the deficit on international current account; receipts rose significantly from an already high level and payments were appreciably lower, with virtually all the improvement in the merchandise account.

Business outlays for capital purposes were somewhat higher than in the third quarter and above the rate for the year as a whole. There was a small decline in government expenditure for goods and services, reflecting a drop at the federal level, partially offset by higher expenditures at junior levels of government; the flows of income to the governments from the private sector increased moderately and the expenditures rose also but less sharply and thus combined to bring about an appreciable drop in the deficit. However, the building up of stocks, which had added a fairly important increment to the demands on current production in the third quarter, fell sharply in the fourth quarter. Thus the stimulus to higher production came largely from final demand.

The important developments on the income side of the accounts in the fourth quarter of the year were the diminishing rate of increase in labour income and a further increase in corporate profits, which were about 33 per cent higher than in their cyclical trough in the first quarter of 1961.

Production and Employment



Seasonally adjusted, real output for the fourth quarter of 1962 showed a small increase over the previous quarter. With the exception of the fourth quarter of 1961, the increase was the smallest gain since production began to expand following the 1960-61 downturn. The average increase for the first four quarters of the expansion was 2 per cent, while that for the subsequent three quarters amounted to slightly less than 1 per cent. Thus the pattern of comparatively small increases, first evident during the second quarter, persisted to the end of the year. Real output less agriculture was up slightly more than the total, with the goods-producing industries contributing just over one-half of this increase.

Within the goods-producing industries, manufacturing, with an increase of 1 per cent, constituted the major single expansionary force, accounting for almost all the increase in total goods production. The durable industry component of manufacturing, reflecting substantial increases in the output of transportation equipment and electrical apparatus and supplies, contributed most of this advance. In addition, there were marginal advances in mining and construction and a 2 per cent increase in forestry.

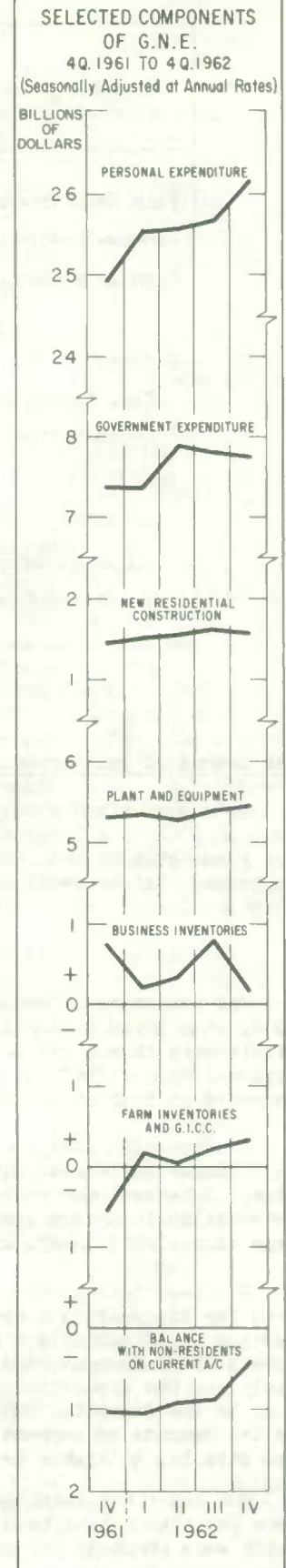
Among the service-producing industries, the largest gain (2 per cent) occurred in retail trade, which accounted for almost one-half of the total increase in service output. Wholesale trade showed only a fractional decline. The transportation, communication and storage group showed a 1 per cent increase in output in the fourth quarter in spite of a small decline in the transportation industry. Finance, insurance and real estate, and the group of industries consisting of community, recreation, business and personal service continued to advance, showing gains of 1 per cent each, while public administration and defence declined by 2 per cent, and electric power and gas utilities by about 1 per cent.

The fractional gain in production between the third and fourth quarters of the year was accompanied by a virtually unchanged level of employment in total. However, non-farm employment was up nearly 1 per cent. At 6.0 per cent of the labour force, the seasonally adjusted rate of unemployment was fractionally lower than in the preceding quarter.

COMPONENTS OF EXPENDITURE

Personal expenditure increased nearly 2 per cent in the fourth quarter, in contrast to the stability evident in the two previous quarters.

The principal source of strength was the 9½ per cent increase in durable goods. Net purchases of new and used cars, recovering from the dip registered in the previous quarter, rose 16½ per



cent. Expenditure on appliances and radios also increased sharply, by 9 per cent, while outlays for other durables showed lesser increases. Expenditure for both non-durable goods and services rose by 1 per cent.

There was little change in the rate at which outlays on fixed capital formation were being made in the final quarter of 1962. An increase of one-half of 1 per cent from the third quarter raised the annual rate to \$7.1 billion, after adjustment for seasonal influences. This figure was just over 1 per cent higher than the expenditure for the year as a whole, and about 3 per cent below the anticipated expenditure for the year 1963.

Stability in the fourth quarter reflected a levelling off in purchases of machinery and equipment, which had risen sharply in the earlier part of the year, and an increase in non-residential construction partially offset by a lower level of spending on housing.

Outlays on new residential construction declined by $1\frac{1}{2}$ per cent in the fourth quarter, to a seasonally adjusted annual rate of \$1,592 million. The annual rate at which new dwelling units were being started fell by over 3 per cent to 126,100 units, while the rate of completions rose by $4\frac{1}{2}$ per cent to 132,000 units.

Non-residential construction rose by $2\frac{1}{2}$ per cent in the fourth quarter to an annual rate of \$2.7 billion, mainly as a result of increased outlays on buildings and structures, a rate which was below the level for the year as a whole.

Outlays on new machinery and equipment, after substantial increases in the first three quarters of the year, levelled off at a seasonally adjusted annual rate of \$2.8 billion. This stability is consistent with the overall figures of imports of goods which recorded a decline in the final quarter of the year. Estimates of imports of machinery are tentative for the fourth quarter since no commodity detail was available at the time the estimates were prepared.

The changes taking place in both imports and exports during the quarter had a favourable effect on Canadian production. The annual rate of exports of merchandise and services combined increased by over 2 per cent, after allowances for seasonal variation, to reach a total of \$8.4 billion, while imports fell by over 3 per cent, to \$8.8 billion. The net effect of these changes was to reduce the deficit on current international account to just over \$400 million, the smallest deficit since 1955, when seasonal factors are taken into account.

This reduction in the deficit reflected an improvement in the balance on merchandise trade. With a slackening in merchandise imports and a resumption in the rise in exports, the surplus on merchandise account rose to an annual rate of \$404 million, after allowances for seasonal factors.

Merchandise exports rose by just over 2 per cent to an annual rate of \$6.5 billion. This gain was attributable largely to increased sales abroad of Canadian agricultural and animal production. Increases in the quarter were general, with the exception of a sharp decline in exports of non-ferrous minerals; aluminum, nickel, and copper all appeared to experience some decline in the fourth quarter. The contribution by individual commodities to the 5 per cent decline in merchandise imports, to an annual rate of \$6.1 billion cannot be assessed due to the lack of detailed information. It is not possible to assess the impact of this decline on individual commodities as this information is not yet available.

The deficit balance on non-merchandise transactions showed little change, declining to \$308 million, seasonally adjusted at annual rates, from \$848 million in the third quarter. This, however, represents a sizeable reduction from the deficit in the first half of the year. The improvement resulted from the fact that payments for services remained unchanged, at an annual rate of \$2,720 million, after seasonal adjustment, while receipts rose 2 per cent to \$1,912 million.

The stability in payments concealed a fairly sharp reduction in Canadian travel expenditures abroad which was offset by an increase in the outflow of interest and dividend payments. The increases in receipts were not large for any particular service but were fairly widespread.

Seasonally adjusted at annual rates, there was a decline of about 6 per cent in the deficit for all levels of government between the third and fourth quarters of 1962. This drop reflected a reduction of about 5 per cent at the federal level and a somewhat larger reduction at the provincial-municipal level. Federal revenues advanced by $3\frac{1}{2}$ per cent while expenditures increased at a slightly lower rate. Likewise, at the provincial-municipal level, revenue rose somewhat more than expenditure.

Little change occurred in the components of revenue and expenditure between the third and the fourth quarters. Although federal revenue from indirect taxes was unchanged, there was a decline of more than 11 per cent in receipts from customs import duties which was offset by increases in other sources of indirect taxes. A decrease of 3 per cent in federal expenditure on goods and services more than offset a small increase at the provincial-municipal level. There was a small advance in transfer payments to persons; a small increase in federal outlays reflected a substantial rise in unemployment insurance benefits, while at the provincial-municipal level there were larger transfers to hospitals and greater relief payments.

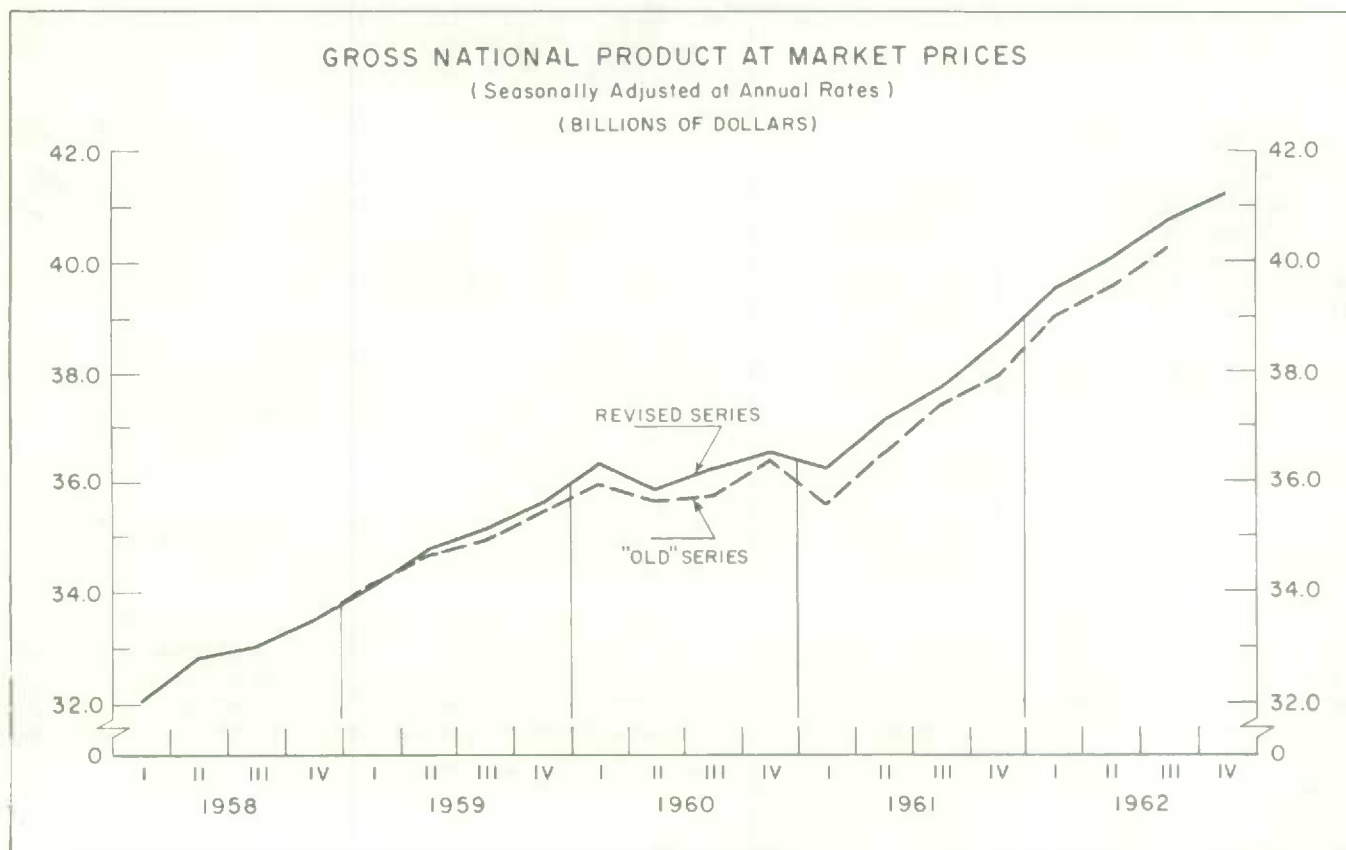
The increase of more than 75 per cent in subsidies between the third and fourth quarters of 1962 took place at the federal level, reflecting mainly substantial interim payments to railway companies.

Income Flows

Labour income in the fourth quarter of 1962 was at a seasonally adjusted annual rate of \$20.7 billion, slightly more than 1 per cent higher than in the preceding quarter. The rate of increase in labour income tended to decline during the course of the year. Most of the third to fourth quarter movement is probably attributable to higher labour prices. As in the past quarter, the rate of increase in labour income was higher in the service-producing industries than in the goods-producing industries.

Corporation profits in the fourth quarter of 1962 rose by about 5 per cent to a seasonally adjusted annual rate of \$4.0 billion or about 33 per cent over the cyclical trough in the first quarter of 1961. Manufacturing, mines, quarries and oil wells, wholesale and retail trade largely contributed to the increase in the fourth quarter. Within manufacturing, however, there were some offsetting movements; higher profits were realized in metal industries (including transportation equipment), electrical products, non-metallic mineral products, petroleum and coal products, and lower profits in wood and paper industries.

In the fourth quarter, rent, interest and miscellaneous investment income increased by close to 8 per cent to an annual rate of \$2.9 billion on a seasonally adjusted basis. This increase was largely attributable to a rise in the trading profits of government business enterprises, a major part of which was accounted for by an interim subsidy paid to the Canadian National Railway.



TABLES UNADJUSTED FOR SEASONAL VARIATION

TABLE 1. National Income and Gross National Product, by Quarters, 1958-62
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Wages, salaries, and supplementary labour income	3,903	4,146	4,274	4,198	16,521	4,118	4,362	4,495	4,484	17,459
2.	Military pay and allowances	117	126	125	123	491	118	129	127	122	496
3.	Corporation profits before taxes	602	803	826	844	3,075	697	959	929	919	3,504
4.	Deduct: Dividends paid to non-residents(1)	-97	-96	-120	-157	-470	-106	-105	-116	-174	-501
5.	Rent, interest, and miscellaneous investment income	476	488	559	581	2,104	560	548	584	623	2,315
6.	Accrued net income of farm operators from farm production(2) ..	23	162	884	131	1,200	18	122	912	69	1,121
7.	Net income of non-farm unincorporated business(3)	435	532	547	611	2,125	459	568	556	627	2,210
8.	Inventory valuation adjustment(4)	-35	26	9	-35	-35	-28	-53	-16	-25	-122
9.	NET NATIONAL INCOME AT FACTOR COST ...	5,424	6,187	7,104	6,296	25,011	5,836	6,530	7,471	6,645	26,482
10.	Indirect taxes less subsidies	944	975	971	992	3,882	1,001	1,074	1,098	1,086	4,259
11.	Capital consumption allowances and miscellaneous valuation adjustments	940	986	977	996	3,899	963	1,052	1,087	1,102	4,204
12.	Residual error of estimate	-123	-44	118	151	102	-91	-105	56	110	-30
13.	GROSS NATIONAL PRODUCT AT MARKET PRICES	7,185	8,104	9,170	8,435	32,894	7,709	8,551	9,712	8,943	34,915
14.	(Gross national product at market prices excluding accrued net income of farm operators)	(7,162)	(7,942)	(8,286)	(8,304)	(31,694)	(7,691)	(8,429)	(8,800)	(8,874)	(33,794)

(1) Includes the withholding tax applicable to this item.

(2) Includes change in farm inventories as shown in line 11, Table 4. An adjustment has been made to take account of the accrued earnings of farm operators arising out of the operations of the Canadian Wheat Board.

TABLE 2. Gross National Expenditure, by Quarters, 1958-62
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Personal expenditure on consumer goods and services	4,869	5,275	5,235	5,866	21,245	5,218	5,617	5,556	6,200	22,591
2.	Government expenditure on goods and services (1, 2)	1,363	1,441	1,774	1,602	6,180	1,475	1,533	1,819	1,663	6,490
3.	Business gross fixed capital formation(3)	1,410	1,883	1,913	1,769	6,975	1,329	1,875	1,927	1,763	6,894
4.	New residential construction	301	458	494	510	1,763	343	449	466	476	1,734
5.	New non-residential construction ...	532	718	852	709	2,811	451	651	794	693	2,589
6.	New machinery and equipment	577	707	567	550	2,401	535	775	667	594	2,571
7.	Value of physical change in inventories(4)	-300	-216	560	-366	-322	11	-134	774	-294	357
8.	Non-farm business inventories	-10	-117	-67	-3	-197	285	-30	101	65	421
9.	Farm inventories and grain in commercial channels	-290	-99	627	-363	-125	-274	-104	673	-359	-64
10.	Exports of goods and services	1,385	1,623	1,658	1,674	6,340	1,346	1,731	1,783	1,823	6,683
11.	Deduct: Imports of goods and services	-1,666	-1,945	-1,852	-1,960	-7,423	-1,761	-2,177	-2,091	-2,102	-8,131
12.	Residual error of estimate	124	43	-118	-150	-101	91	106	-56	-110	31
13.	GROSS NATIONAL EXPENDITURE AT MARKET PRICES	7,185	8,104	9,170	8,435	32,894	7,709	8,551	9,712	8,943	34,915

(1) Includes outlays on new durable assets such as building and highway construction by governments, other than government business enterprises. Also includes net purchases of government commodity agencies.

(2) For details of defence expenditures see line 3 Table 6.

(3) Includes capital expenditures by private and government business enterprises, private non-commercial institutions, and outlays on new residential construction by individuals and business investors.

TABLE 1. National Income and Gross National Product, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
4,343	4,565	4,718	4,625	18,251	4,468	4,752	4,952	4,896	19,068	4,792	5,095	5,272	5,200	20,359	1
119	129	127	134	509	129	140	137	144	550	147	152	145	142	586	2
756	913	886	804	3,359	615	922	947	976	3,460	771	1,047	985	1,021	3,824	3
-101	-105	-114	-134	-454	-164	-121	-129	-173	-587	-128	-148	-116	-178	-570	4
586	603	617	636	2,442	635	625	691	677	2,628	671	676	694	727	2,768	5
31	85	978	90	1,184	77	140	663	95	975	29	123	1,188	51	1,391	6
446	555	522	690	2,213	444	548	573	724	2,289	486	585	573	736	2,380	7
-44	-47	10	1	-80	14	-13	-36	-32	-67	-27	-44	-49	-12	-132	8
6,136	6,698	7,744	6,846	27,424	6,218	6,993	7,798	7,307	28,316	6,741	7,486	8,692	7,687	30,606	9
1,087	1,140	1,109	1,134	4,470	1,122	1,180	1,158	1,256	4,716	1,254	1,314	1,368	1,325	5,261	10
1,078	1,139	1,128	1,114	4,459	1,079	1,137	1,147	1,176	4,539	1,119	1,197	1,196	1,243	4,755	11
-52	-206	73	86	-99	-83	-156	42	47	-150	-155	-227	82	79	-221	12
8,249	8,771	10,054	9,180	36,254	8,336	9,154	10,145	9,786	37,421	8,959	9,770	11,338	10,334	40,401	13
(8,218)	(8,686)	(9,076)	(9,090)	(35,070)	(8,259)	(9,014)	(9,482)	(9,691)	(36,446)	(8,930)	(9,647)	(10,150)	(10,283)	(39,010)	14

(3) Includes net income of independent professional practitioners.

(4) See footnote 4, Table 2.

TABLE 2. Gross National Expenditure, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
5,413	5,874	5,788	6,437	23,512	5,625	6,107	6,057	6,697	24,486	6,010	6,443	6,274	7,022	25,749	1
1,524	1,522	1,966	1,743	6,755	1,635	1,638	2,044	1,888	7,205	1,704	1,827	2,200	1,990	7,721	2
1,429	1,767	1,812	1,684	6,692	1,336	1,704	1,856	1,739	6,635	1,412	1,800	1,931	1,811	6,954	3
309	357	391	386	1,443	269	365	421	403	1,458	293	392	457	435	1,577	4
479	623	791	684	2,577	479	634	826	744	2,683	520	643	787	718	2,668	5
641	787	630	614	2,672	588	705	609	592	2,494	599	765	687	658	2,709	6
137	-134	668	-310	361	-22	-156	274	-240	-144	-4	-173	1,048	-306	565	7
386	-43	-105	37	275	193	-33	-76	192	276	245	-45	132	43	375	8
-249	-91	773	-347	86	-215	-123	350	-432	-420	-249	-128	916	-349	190	9
1,597	1,708	1,925	1,778	7,008	1,587	1,874	2,127	2,043	7,631	1,728	2,072	2,246	2,178	8,224	10
-1,903	-2,171	-2,033	-2,065	-8,172	-1,908	-2,170	-2,171	-2,293	-8,542	-2,047	-2,425	-2,278	-2,283	-9,033	11
52	205	-72	-87	98	83	157	-42	-48	150	156	226	-83	-78	221	12
8,249	8,771	10,054	9,180	36,254	8,336	9,154	10,145	9,786	37,421	8,959	9,770	11,338	10,334	40,401	13

(4) The book value of inventories is deflated to remove the effect of price changes and the derived "physical" change is then valued at average prices of the current period to obtain the value of physical change. The difference between this value of physical change and the change in book value is called the inventory valuation adjustment. (See line 8, Table 1).

TABLE 3. Source of Personal Income, by Quarters, 1958-62
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Wages, salaries, and supplementary labour income	3,903	4,146	4,274	4,198	16,521	4,118	4,362	4,495	4,484	17,459
2.	Deduct: Employer and employee contributions to social insurance and government pension funds	-153	-149	-156	-157	-615	-158	-152	-162	-180	-652
3.	Military pay and allowances	117	126	125	123	491	118	129	127	122	496
4.	Net income received by farm operators from farm production(1)	44	169	872	116	1,201	37	146	898	45	1,126
5.	Net income of non-farm unincorporated business	435	532	547	611	2,125	459	568	556	627	2,210
6.	Interest, dividends, and net rental income of persons(2)	527	572	573	605	2,277	589	649	652	709	2,599
	Transfer payments to persons:										
7.	From government (excluding interest)	766	633	589	649	2,637	793	696	618	648	2,755
8.	Charitable contributions by corporations	8	10	10	10	38	9	12	11	11	43
9.	PERSONAL INCOME	5,647	6,039	6,834	6,155	24,675	5,965	6,410	7,195	6,466	26,036

(1) This item differs from line 6 of Table 1, by excluding the adjustments which had been made to take account of the net earnings arising out of the operations of the Canadian Wheat Board.

(2) Includes all government debt interest paid to persons.

TABLE 4. Disposition of Personal Income, by Quarters, 1958-62
(millions of dollars)

		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Personal direct taxes	455	430	441	469	1,795	479	529	527	553	2,088
2.	Income taxes	380	375	393	406	1,544	375	444	454	471	1,744
3.	Succession duties and estate taxes ..	33	33	27	33	126	35	30	31	34	130
4.	Miscellaneous	42	22	21	30	115	69	55	42	48	214
5.	Personal expenditure on consumer goods and services	4,869	5,275	5,235	5,866	21,245	5,218	5,617	5,556	6,200	22,591
6.	Non-durable goods	2,457	2,615	2,659	3,147	10,878	2,565	2,703	2,790	3,315	11,373
7.	Durable goods	538	687	600	674	2,499	586	772	625	695	2,678
8.	Services(1)	1,874	1,973	1,976	2,045	7,868	2,067	2,142	2,141	2,190	8,540
9.	Personal net saving	323	334	1,158	-180	1,635	268	264	1,112	-287	1,357
10.	Personal saving excluding change in farm inventories	568	407	565	187	1,727	519	347	482	85	1,433
11.	Value of physical change in farm inventories	-245	-73	593	-367	-92	-251	-83	630	-372	-76
12.	PERSONAL INCOME	5,647	6,039	6,834	6,155	24,675	5,965	6,410	7,195	6,466	26,036
13.	(Personal disposable income)(2)	(5,192)	(5,609)	(6,393)	(5,686)	(22,880)	(5,486)	(5,881)	(6,668)	(5,913)	(23,948)

(1) Includes net expenditure abroad.

(2) Personal Income less Total Personal Direct Taxes.

TABLE 3. Source of Personal Income, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
4,343	4,565	4,718	4,625	18,251	4,468	4,752	4,952	4,896	19,068	4,792	5,095	5,272	5,200	20,359	1
-189	-167	-193	-196	-745	-191	-190	-201	-205	-787	-199	-196	-209	-212	-816	2
119	129	127	134	509	129	140	137	144	550	147	152	145	142	586	3
48	90	969	71	1,178	101	116	652	80	949	1	222	1,149	30	1,402	4
446	555	522	690	2,213	444	548	573	724	2,289	486	585	573	736	2,380	5
672	703	694	767	2,836	705	742	718	820	2,985	726	787	773	900	3,186	6
899	760	720	750	3,129	981	844	772	811	3,408	1,075	885	835	857	3,652	7
10	11	10	9	40	8	12	12	12	44	9	12	12	12	45	8
6,348	6,646	7,567	6,850	27,411	6,645	6,964	7,615	7,282	28,506	7,037	7,542	8,550	7,665	30,794	9

TABLE 4. Disposition of Personal Income, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
557	640	577	586	2,360	571	676	631	633	2,511	625	719	674	696	2,714	1
428	551	500	499	1,978	454	586	545	546	2,131	498	627	587	599	2,311	2
50	37	32	39	158	37	34	37	36	144	42	40	43	41	166	3
79	52	45	48	224	80	56	49	51	236	85	52	44	56	237	4
5,413	5,874	5,788	6,437	23,512	5,625	6,107	6,057	6,697	24,486	6,010	6,443	6,274	7,022	25,749	5
2,641	2,830	2,923	3,391	11,785	2,745	2,953	3,036	3,523	12,257	2,934	3,085	3,199	3,659	12,877	6
587	754	598	730	2,669	558	747	645	747	2,697	643	826	621	823	2,913	7
2,185	2,290	2,267	2,316	9,058	2,322	2,407	2,376	2,427	9,532	2,433	2,532	2,454	2,540	9,959	8
378	132	1,202	-173	1,539	449	181	927	-48	1,509	402	380	1,602	-53	2,331	9
572	250	510	191	1,523	642	251	589	315	1,797	580	413	762	427	2,182	10
-194	-118	692	-364	16	-193	-70	338	-363	-288	-178	-33	840	-480	149	11
6,348	6,646	7,567	6,850	27,411	6,645	6,964	7,615	7,282	28,506	7,037	7,542	8,550	7,665	30,794	12
(5,791)	(6,006)	(6,990)	(6,264)	(25,051)	(6,074)	(6,288)	(6,984)	(6,649)	(25,995)	(6,412)	(6,823)	(7,876)	(6,969)	(28,080)	13

TABLE 5. Government Revenue, by Quarters, 1958-62
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Direct taxes - Persons	455	430	441	469	1,795	479	529	527	553	2,088
2.	Federal	390	384	396	411	1,581	385	452	457	476	1,770
3.	Provincial and municipal	65	46	45	58	214	94	77	70	77	318
4.	Direct taxes - Corporations	274	338	366	337	1,315	323	437	414	407	1,581
5.	Federal	224	276	299	276	1,075	268	362	343	337	1,310
6.	(Federal tax collections)(2)	(305)	(266)	(266)	(263)	(1,100)	(259)	(314)	(300)	(294)	(1,167)
7.	Provincial	50	62	67	61	240	55	75	71	70	271
8.	(Provincial tax collections)	(65)	(63)	(55)	(56)	(239)	(68)	(66)	(63)	(61)	(258)
Withholding taxes:											
9.	Federal(1)	8	6	18	16	48	19	16	18	21	74
10.	Indirect taxes	974	1,009	1,013	1,032	4,028	1,042	1,125	1,153	1,144	4,464
11.	Federal	444	482	487	499	1,912	456	546	556	567	2,125
12.	Provincial and municipal	530	527	526	533	2,116	586	579	597	577	2,339
13.	Investment income	186	222	236	293	937	215	239	238	306	998
14.	Federal	44	77	86	120	327	67	83	80	120	350
15.	Provincial and municipal	142	145	150	173	610	148	156	158	186	648
16.	Employer and employee contributions to social insurance and government funds	153	149	156	157	615	158	152	162	180	652
17.	Federal	100	94	99	98	391	102	93	101	118	414
18.	Provincial and municipal	53	55	57	59	224	56	59	61	62	238
Transfers from Federal:											
19.	Provincial and municipal	159	156	161	187	663	201	210	233	236	880
20.	TOTAL REVENUE	2,209	2,310	2,391	2,491	9,401	2,437	2,708	2,745	2,847	10,737
21.	FEDERAL	1,210	1,319	1,385	1,420	5,334	1,297	1,552	1,555	1,639	6,043
22.	PROVINCIAL and MUNICIPAL	999	991	1,006	1,071	4,067	1,140	1,156	1,190	1,208	4,694

(1) Beginning in 1962, the withholding tax series has been adjusted to conform more closely with the flow of interest and dividends to non-residents.

(2) In previous publications this item included taxes collected from the proprietary corporations of the federal government which became taxable in 1952. This series is now adjusted to exclude these taxes and the data for earlier years are presented below:

No.		1952					1953					1954				
		I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year
1.	Unadjusted for seasonal variation	315	326	301	314	1,256	366	304	309	307	1,286	321	257	266	261	1,105
2.	Seasonally adjusted at annual rates	1,144	1,376	1,228	1,276	1,256	1,336	1,280	1,264	1,264	1,286	1,172	1,076	1,084	1,088	1,105

TABLE 5. Government Revenue, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
557	640	577	586	2,360	571	676	631	633	2,511	625	719	674	696	2,714	1
447	557	506	507	2,017	461	582	543	546	2,132	468	563	526	531	2,088	2
110	83	71	79	343	110	94	88	87	379	157	156	148	165	626	3
354	428	403	377	1,562	307	411	448	446	1,612	379	470	443	458	1,750	4
291	352	331	310	1,284	250	334	364	363	1,311	288	357	336	347	1,328	5
(302)	(400)	(360)	(302)	(1,364)	(297)	(360)	(314)	(296)	(1,267)	(317)	(367)	(322)	(288)	(1,294)	6
63	76	72	67	278	57	77	84	83	301	91	113	107	111	422	7
(81)	(79)	(81)	(61)	(302)	(77)	(74)	(70)	(63)	(284)	(91)	(79)	(100)	(91)	(361)	8
19	19	17	24	79	30	27	24	35	116	26	35	23	41	125	9
1,137	1,198	1,175	1,196	4,706	1,167	1,231	1,255	1,317	4,970	1,314	1,381	1,431	1,426	5,552	10
502	570	540	568	2,180	496	553	555	586	2,190	528	596	635	641	2,400	11
635	628	635	628	2,526	671	678	700	731	2,780	786	785	796	785	3,152	12
233	254	247	319	1,053	238	256	290	346	1,130	270	291	276	374	1,211	13
76	95	82	131	384	73	87	116	133	409	79	111	90	168	448	14
157	159	165	188	669	165	169	174	213	721	191	180	186	206	763	15
189	167	193	196	745	191	190	201	205	787	199	196	209	212	816	16
127	102	126	127	482	126	120	130	134	510	128	122	133	135	518	17
62	65	67	69	263	65	70	71	71	277	71	74	76	77	298	18
251	247	242	254	994	260	298	283	287	1,128	300	256	278	302	1,136	19
2,740	2,953	2,854	2,952	11,499	2,764	3,089	3,132	3,269	12,254	3,113	3,348	3,334	3,509	13,304	20
1,462	1,695	1,602	1,667	6,426	1,436	1,703	1,732	1,797	6,668	1,517	1,784	1,743	1,863	6,907	21
1,278	1,258	1,252	1,285	5,073	1,328	1,386	1,400	1,472	5,586	1,596	1,564	1,591	1,646	6,397	22

1955					1956					1957					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
276	247	259	255	1,037	311	326	337	309	1,283	352	339	350	293	1,334	1
1,020	1,016	1,044	1,068	1,037	1,172	1,312	1,348	1,300	1,283	1,348	1,348	1,392	1,248	1,334	2

TABLE 6. Government Expenditure, by Quarters, 1958-62
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Goods and services	1,363	1,441	1,774	1,602	6,180	1,475	1,533	1,819	1,663	6,490
2.	Federal	694	680	759	721	2,854	712	711	725	684	2,832
3.	(Defence)	(472)	(377)	(404)	(408)	(1,661)	(457)	(356)	(370)	(376)	(1,559)
4.	Provincial and municipal	669	761	1,015	881	3,326	763	822	1,094	979	3,658
5.	Transfer payments to persons (excluding interest on the public debt)	766	633	589	649	2,637	793	696	618	648	2,755
6.	Federal	541	487	396	475	1,899	538	460	384	409	1,791
7.	Provincial and municipal	225	146	193	174	738	255	236	234	239	964
8.	Interest on the public debt	149	223	177	233	782	171	265	235	292	963
9.	Federal	102	150	136	156	544	117	178	180	203	678
10.	Provincial and municipal	47	73	41	77	238	54	87	55	89	285
11.	Subsidies	30	34	42	40	146	41	51	55	58	205
12.	Federal	29	32	35	35	131	40	49	48	52	189
13.	Provincial	1	2	7	5	15	1	2	7	6	16
	Transfers to other levels of government:										
14.	Federal	159	156	161	187	663	201	210	233	236	880
15.	Total expenditure	2,467	2,487	2,743	2,711	10,408	2,681	2,755	2,960	2,897	11,293
16.	Federal	1,525	1,505	1,487	1,574	6,091	1,608	1,608	1,570	1,584	6,370
17.	Provincial and municipal	942	982	1,256	1,137	4,317	1,073	1,147	1,390	1,313	4,923
18.	Deficit (-) or surplus (+)	-258	-177	-352	-220	-1,007	-244	-47	-215	-50	-556
19.	Federal	-315	-186	-102	-154	-757	-311	-56	-15	55	-327
20.	Provincial and municipal	57	9	-250	-66	-250	67	9	-200	-105	-229
21.	TOTAL EXPENDITURE MINUS DEFICIT OR PLUS SURPLUS	2,209	2,310	2,391	2,491	9,401	2,437	2,708	2,745	2,847	10,737
22.	FEDERAL	1,210	1,319	1,385	1,420	5,334	1,297	1,552	1,555	1,639	6,043
23.	PROVINCIAL AND MUNICIPAL	999	991	1,006	1,071	4,067	1,140	1,156	1,190	1,208	4,694

(1) In this quarter the federal deficit is irregularly high by about \$75 million and the provincial - municipal surplus also correspondingly high as a consequence of the introduction of the new tax collection arrangements and the continuation in this quarter of transfer payments to the provinces under the former tax rental agreements.

TABLE 6. Government Expenditure, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
1,524	1,522	1,966	1,743	6,755	1,635	1,638	2,044	1,888	7,205	1,704	1,827	2,200	1,990	7,721	1
670	633	732	690	2,725	702	714	791	767	2,974	751	770	772	715	3,008	2
(433)	(336)	(387)	(390)	(1,546)	(436)	(366)	(391)	(420)	(1,613)	(471)	(401)	(398)	(410)	(1,680)	3
854	889	1,234	1,053	4,030	933	924	1,253	1,121	4,231	953	1,057	1,428	1,275	4,713	4
899	760	720	750	3,129	981	844	772	811	3,408	1,075	885	835	857	3,652	5
580	492	436	471	1,979	602	519	425	469	2,015	665	524	453	480	2,122	6
319	268	284	279	1,150	379	325	347	342	1,393	410	361	382	377	1,530	7
236	269	241	350	1,096	234	303	241	386	1,164	242	323	269	440	1,274	8
168	169	177	242	756	160	187	169	267	783	157	199	189	310	855	9
68	100	64	108	340	74	116	72	119	381	85	124	80	130	419	10
50	58	66	62	236	45	51	97	61	254	60	67	63	101	291	11
43	54	54	54	210	42	48	83	48	221	57	63	50	90	260	12
3	4	12	8	26	3	3	14	13	33	3	4	13	11	31	13
251	247	242	254	994	260	298	283	287	1,128	300	256	278	302	1,136	14
2,960	2,856	3,235	3,159	12,210	3,155	3,134	3,437	3,433	13,159	3,381	3,358	3,645	3,690	14,074	15
1,717	1,595	1,641	1,711	6,664	1,766	1,766	1,751	1,838	7,121	1,930	1,812	1,742	1,897	7,381	16
1,243	1,261	1,594	1,448	5,546	1,389	1,368	1,686	1,595	6,038	1,451	1,546	1,903	1,793	6,693	17
-220	97	-381	-207	-711	-391	-45	-305	-164	-905	-268	-10	-311	-181	-770	18
-255	100	-39	-44	-238	-330	-63	-19	-41	-453	-413(1)	-28	1	-34	-474	19
35	-3	-342	-163	-473	-61	18	-286	-123	-452	145(1)	18	-312	-147	-296	20
2,740	2,953	2,854	2,952	11,499	2,764	3,089	3,132	3,269	12,254	3,113	3,348	3,334	3,509	13,304	21
1,462	1,695	1,602	1,667	6,426	1,436	1,703	1,732	1,797	6,668	1,517	1,784	1,743	1,863	6,907	22
1,278	1,258	1,252	1,285	5,073	1,328	1,386	1,400	1,472	5,586	1,596	1,564	1,591	1,646	6,397	23

TABLE 7. Source of National Saving, by Quarters, 1958-62
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Personal net saving	323	334	1,158	-180	1,635	268	264	1,112	-287	1,357
2.	Business gross saving	1,046	1,249	1,228	1,251	4,774	1,111	1,342	1,400	1,332	5,185
3.	Undistributed corporation profits ...	127	270	239	240	876	167	314	299	206	986
4.	Capital consumption allowances and miscellaneous valuation adjustments	940	986	977	996	3,899	963	1,052	1,087	1,102	4,204
5.	Adjustment on grain transac- tions(1)	-21	-7	12	15	-1	-19	-24	14	24	-5
6.	Inventory valuation adjustment	-35	26	9	-35	-35	-28	-53	-16	-25	-122
7.	Government surplus (+) or deficit (-)	-258	-177	-352	-220	-1,007	-244	-47	-215	-50	-556
8.	Residual error of estimate	-123	-44	118	151	102	-91	-105	56	110	-30
9.	Totals	953	1,388	2,161	967	5,469	1,016	1,401	2,337	1,080	5,834

(1) This item is an adjustment to take account of the accrued earnings of farm operators arising out of the operations of the Canadian Wheat Board. See also footnote 1, Table 2.

TABLE 8. Disposition of National Saving, by Quarters, 1958-62
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Business gross fixed capital formation	1,410	1,883	1,913	1,769	6,975	1,329	1,875	1,927	1,763	6,894
2.	New residential construction	301	458	494	510	1,763	343	449	466	476	1,734
3.	New non-residential construction	532	718	852	709	2,811	451	651	794	693	2,589
4.	New machinery and equipment	577	707	567	550	2,401	535	775	667	594	2,571
5.	Value of physical change in inventories	-300	-216	560	-366	-322	11	-134	774	-294	357
6.	Surplus (+) or deficit (-) on current account with non-residents	-281	-322	-194	-286	-1,083	-415	-446	-308	-279	-1,448
7.	Residual error of estimate	124	43	-118	-150	-101	91	106	-56	-110	31
8.	Totals	953	1,388	2,161	967	5,469	1,016	1,401	2,337	1,080	5,834

TABLE 7. Source of National Saving, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
378	132	1,202	-173	1,539	449	181	927	-48	1,509	402	380	1,602	-53	2,331	1
1,250	1,399	1,396	1,293	5,338	1,087	1,442	1,416	1,398	5,343	1,293	1,401	1,540	1,489	5,723	2
189	265	259	160	873	32	281	258	207	778	146	303	305	225	979	3
1,078	1,139	1,128	1,114	4,459	1,079	1,137	1,147	1,176	4,539	1,119	1,197	1,196	1,243	4,755	4
-17	-5	9	19	6	-24	24	11	15	26	28	-99	39	21	-11	5
-44	-47	10	1	-80	14	-13	-36	-32	-67	-27	-44	-49	-12	-132	6
-220	97	-381	-207	-711	-391	-45	-305	-164	-905	-268	-10	-311	-181	-770	7
-52	-206	73	86	-99	-83	-156	42	47	-150	-155	-227	82	79	-221	8
1,312	1,375	2,300	1,000	5,987	1,076	1,409	2,044	1,201	5,730	1,245	1,500	2,864	1,322	6,931	9

TABLE 8. Disposition of National Saving, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
1,429	1,767	1,812	1,684	6,692	1,336	1,704	1,856	1,739	6,635	1,412	1,800	1,931	1,811	6,954	1
309	357	391	386	1,443	269	365	421	403	1,458	293	392	457	435	1,577	2
479	623	791	684	2,577	479	634	826	744	2,683	520	643	787	718	2,668	3
641	787	630	614	2,672	588	705	609	592	2,494	599	765	687	658	2,709	4
137	-134	668	-310	361	-22	-156	274	-240	-144	-4	-173	1,048	-306	565	5
-306	-463	-108	-287	-1,164	-321	-296	-44	-250	-911	-319	-353	-32	-105	-809	6
52	205	-72	-87	98	83	157	-42	-48	150	156	226	-83	-78	221	7
1,312	1,375	2,300	1,000	5,987	1,076	1,409	2,044	1,201	5,730	1,245	1,500	2,864	1,322	6,931	8

TABLE 9. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1958-62(1)
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Personal expenditure on consumer goods and services	4,790	5,123	5,098	5,696	20,707	5,029	5,407	5,344	5,931	21,711
2.	Non-durable goods	2,425	2,532	2,595	3,090	10,642	2,508	2,643	2,722	3,218	11,091
3.	Durable goods	531	680	601	652	2,464	563	746	615	668	2,592
4.	Services	1,834	1,911	1,902	1,954	7,601	1,958	2,018	2,007	2,045	8,028
5.	Government expenditure on goods and services	1,327	1,437	1,784	1,565	6,113	1,399	1,477	1,763	1,566	6,205
6.	Business gross fixed capital formation	1,381	1,847	1,877	1,720	6,825	1,276	1,789	1,830	1,667	6,562
7.	New residential construction	298	449	481	494	1,722	329	424	436	444	1,633
8.	New non-residential construction	526	709	842	690	2,767	434	624	758	657	2,473
9.	New machinery and equipment	557	689	554	536	2,336	513	741	636	566	2,456
10.	Change in inventories	-286	-251	553	-330	-314	30	-163	741	-270	338
11.	Non-farm business inventories	-11	-122	-64	1	-196	278	-23	93	66	414
12.	Farm inventories and grain in commercial channels	-275	-129	617	-331	-118	-248	-140	648	-336	-76
13.	Exports of goods and services	1,392	1,632	1,670	1,671	6,365	1,337	1,710	1,761	1,802	6,610
14.	Deduct: Imports of goods and services	-1,621	-1,918	-1,835	-1,939	-7,313	-1,733	-2,151	-2,075	-2,099	-8,058
15.	Residual error of estimate	122	42	-116	-147	-99	87	102	-54	-105	30
16.	GROSS NATIONAL EXPENDITURE IN CONSTANT (1957) DOLLARS	7,105	7,912	9,031	8,236	32,284	7,425	8,171	9,310	8,492	33,398

(1) The implicit price deflators of the seasonally unadjusted components of Gross National Expenditure, derived by dividing the value figures in Table 2 by the constant dollar figures in Table 9, are not suitable as indicators of quarter-to-quarter price change. This is because they are currently weighted and therefore are affected by compositional shifts which occur within the unadjusted components of Gross National Expenditure, on a quarter-to-quarter basis. Quarter-to-quarter comparisons based on seasonally adjusted data are less subject to the problem of shifting weights and may be used as a measure of price change.

TABLE 9. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1958-62
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
5,173	5,589	5,500	6,095	22,357	5,305	5,763	5,696	6,306	23,070	5,627	6,000	5,795	6,493	23,915	1
2,582	2,752	2,832	3,269	11,435	2,649	2,851	2,911	3,391	11,802	2,820	2,947	3,026	3,456	12,249	2
558	725	589	715	2,587	544	733	649	742	2,668	638	818	619	813	2,888	3
2,033	2,112	2,079	2,111	8,335	2,112	2,179	2,136	2,173	8,600	2,169	2,235	2,150	2,224	8,778	4
1,388	1,413	1,864	1,590	6,255	1,437	1,497	1,928	1,682	6,544	1,440	1,611	2,000	1,710	6,761	5
1,339	1,645	1,683	1,564	6,231	1,233	1,575	1,714	1,600	6,122	1,282	1,622	1,733	1,620	6,257	6
287	327	357	352	1,323	246	333	383	366	1,328	263	348	403	383	1,397	7
446	582	737	639	2,404	443	587	771	692	2,493	475	585	718	652	2,430	8
606	736	589	573	2,504	544	655	560	542	2,301	544	689	612	585	2,430	9
128	-157	545	-279	345	-11	-189	237	-180	-143	41	-183	953	-262	549	10
376	-35	-107	37	271	189	-25	-85	193	272	245	-48	117	45	359	11
-240	-122	752	-316	74	-200	-164	322	-373	-415	-204	-135	836	-307	190	12
1,585	1,669	1,882	1,748	6,884	1,562	1,832	2,048	1,960	7,402	1,646	1,944	2,104	2,035	7,729	13
-1,883	-2,124	-1,985	-2,028	-8,020	-1,842	-2,085	-2,035	-2,150	-8,112	-1,887	-2,197	-2,060	-2,075	-8,219	14
49	192	-68	-81	92	77	148	-40	-45	140	144	208	-77	-72	203	15
7,787	8,227	9,521	8,609	34,144	7,761	8,541	9,548	9,173	35,023	8,293	9,005	10,448	9,449	37,195	16

TABLES ADJUSTED FOR SEASONAL VARIATION AND AT ANNUAL RATES

TABLE 10. National Income and Gross National Product, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958				
		I	II	III	IV	Year
1.	Wages, salaries, and supplementary labour income	16,288	16,524	16,552	16,720	16,521
2.	Military pay and allowances	492	496	484	492	491
3.	Corporation profits before taxes	2,928	2,880	3,092	3,400	3,075
4.	Deduct: Dividends paid to non-residents(1)	-448	-456	-496	-480	-470
5.	Rent, interest, and miscellaneous investment income	1,972	2,016	2,220	2,208	2,104
6.	Accrued net income of farm operators from farm production(2)	1,204	1,240	1,152	1,204	1,200
7.	Net income of non-farm unincorporated business(3)	2,140	2,064	2,116	2,180	2,125
8.	Inventory valuation adjustment	-140	104	36	-140	-35
9.	NET NATIONAL INCOME AT FACTOR COST	24,436	24,868	25,156	25,584	25,011
10.	Indirect taxes less subsidies	3,884	3,852	3,840	3,952	3,882
11.	Capital consumption allowances and miscellaneous valuation adjustments	3,948	3,892	3,816	3,940	3,899
12.	Residual error of estimate	-180	260	276	52	102
13.	GROSS NATIONAL PRODUCT AT MARKET PRICES	32,088	32,872	33,088	33,528	32,894
14.	(Gross national product at market prices excluding accrued net income of farm operators)	(30,884)	(31,632)	(31,936)	(32,324)	(31,694)

No.		1961				
		I	II	III	IV	Year
1.	Wages, salaries, and supplementary labour income	18,588	18,908	19,244	19,532	19,068
2.	Military pay and allowances	532	544	560	564	550
3.	Corporation profits before taxes	2,972	3,424	3,612	3,832	3,460
4.	Deduct: Dividends paid to non-residents(1)	-736	-532	-548	-532	-587
5.	Rent, interest, and miscellaneous investment income	2,560	2,512	2,728	2,712	2,628
6.	Accrued net income of farm operators from farm production(2)	1,040	952	992	916	975
7.	Net income of non-farm unincorporated business(3)	2,184	2,224	2,400	2,348	2,289
8.	Inventory valuation adjustment	56	-52	-144	-128	-67
9.	NET NATIONAL INCOME AT FACTOR COST	27,196	27,980	28,844	29,244	28,316
10.	Indirect taxes less subsidies	4,596	4,656	4,592	5,020	4,716
11.	Capital consumption allowances and miscellaneous valuation adjustments	4,492	4,472	4,564	4,628	4,539
12.	Residual error of estimate	-48	40	-296	-296	-150
13.	GROSS NATIONAL PRODUCT AT MARKET PRICES	36,236	37,148	37,704	38,596	37,421
14.	(Gross national product at market prices excluding accrued net income of farm operators)	(35,196)	(36,196)	(36,712)	(37,680)	(36,446)

(1) See footnote 1, Table 1.

(2) Includes an arbitrary smoothing of crop production and standard seasonal adjustments for withdrawals of grain from farm stocks and the change in livestock items. Because of the arbitrary elements, too precise an interpretation should not be given the seasonally adjusted figures of accrued net income of farm operators.

(3) Includes net income of independent professional practitioners.

TABLE 10. National Income and Gross National Product, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

1959					1960					No.
I	II	III	IV	Year	I	II	III	IV	Year	
17,164	17,376	17,432	17,864	17,459	18,084	18,172	18,316	18,432	18,251	1
496	504	500	484	496	496	504	508	528	509	2
3,396	3,484	3,516	3,620	3,504	3,608	3,352	3,336	3,140	3,359	3
-492	-492	-484	-536	-501	-460	-472	-476	-408	-454	4
2,312	2,252	2,296	2,400	2,315	2,376	2,460	2,424	2,508	2,442	5
1,076	1,196	1,148	1,064	1,121	1,168	1,140	1,172	1,256	1,184	6
2,136	2,240	2,224	2,240	2,210	2,220	2,240	2,180	2,212	2,213	7
-112	-212	-64	-100	-122	-176	-188	40	4	-80	8
25,976	26,348	26,568	27,036	26,482	27,316	27,208	27,500	27,672	27,424	9
4,100	4,248	4,356	4,332	4,259	4,464	4,496	4,400	4,520	4,470	10
4,004	4,152	4,316	4,344	4,204	4,484	4,492	4,476	4,384	4,459	11
-16	32	-56	-80	-30	96	-320	-120	-52	-99	12
34,064	34,780	35,184	35,632	34,915	36,360	35,876	36,256	36,524	36,254	13
(32,988)	(33,584)	(34,036)	(34,568)	(33,794)	(35,192)	(34,736)	(35,084)	(35,268)	(35,070)	14
1962										
I	II	III	IV	Year						
19,940	20,268	20,500	20,728	20,359						
600	588	600	556	586						
3,720	3,836	3,772	3,968	3,824						
-576	-636	-512	-556	-570						
2,692	2,732	2,720	2,928	2,768						
1,416	1,420	1,452	1,276	1,391						
2,432	2,360	2,344	2,384	2,380						
-108	-176	-196	-48	-132						
30,116	30,392	30,680	31,236	30,606						
5,152	5,192	5,424	5,276	5,261						
4,660	4,704	4,756	4,900	4,755						
-380	-240	-104	-160	-221						
39,548	40,048	40,756	41,252	40,401						
(38,132)	(38,628)	(39,304)	(39,976)	(39,010)						

TABLE 11. Gross National Expenditure, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958				
		I	II	III	IV	Year
1.	Personal expenditure on consumer goods and services	20,796	21,056	21,392	21,736	21,245
2.	Government expenditure on goods and services(1, 2)	5,924	6,212	6,292	6,292	6,180
3.	Business gross fixed capital formation(3)	6,984	7,000	6,924	6,992	6,975
4.	New residential construction	1,624	1,760	1,796	1,872	1,763
5.	New non-residential construction	2,876	2,872	2,796	2,700	2,811
6.	New machinery and equipment	2,484	2,368	2,332	2,420	2,401
7.	Value of physical change in inventories	-808	-268	-88	-124	-322
8.	Non-farm business inventories	-688	-168	-4	72	-197
9.	Farm inventories and grain in commercial channels(4)	-120	-100	-84	-196	-125
10.	Exports of goods and services	6,324	6,428	6,180	6,428	6,340
11.	Deduct: Imports of goods and services	-7,316	-7,296	-7,340	-7,740	-7,423
12.	Residual error of estimate	184	-260	-272	-56	-101
13.	GROSS NATIONAL EXPENDITURE AT MARKET PRICES	32,088	32,872	33,088	33,528	32,894
Detail of Farm Inventories and GICC:						
	Value of grain crop production	860	860	860	860	860
	Depletions of farm stocks of grain	-936	-1,032	-964	-996	-982
	Change in livestock inventories	-12	104	32	-4	30
	Grain in Commercial Channels	-32	-32	-12	-56	-33
No.		1961				
		I	II	III	IV	Year
1.	Personal expenditure on consumer goods and services	23,920	24,372	24,732	24,920	24,486
2.	Government expenditure on goods and services(1, 2)	7,088	7,076	7,268	7,388	7,205
3.	Business gross fixed capital formation(3)	6,564	6,500	6,692	6,784	6,635
4.	New residential construction	1,412	1,448	1,496	1,476	1,458
5.	New non-residential construction	2,604	2,632	2,704	2,792	2,683
6.	New machinery and equipment	2,548	2,420	2,492	2,516	2,494
7.	Value of physical change in inventories	-268	-56	-484	232	-144
8.	Non-farm business inventories	-	372	-44	776	276
9.	Farm inventories and grain in commercial channels(4)	-268	-428	-440	-544	-420
10.	Exports of goods and services	7,264	7,492	7,856	7,912	7,631
11.	Deduct: Imports of goods and services	-8,380	-8,196	-8,660	-8,932	-8,542
12.	Residual error of estimate	48	-40	300	292	150
13.	GROSS NATIONAL EXPENDITURE AT MARKET PRICES	36,236	37,148	37,704	38,596	37,421
Detail of Farm Inventories and GICC:						
	Value of grain crop production	624	624	624	624	624
	Depletions of farm stocks of grain	-1,020	-1,040	-920	-812	-948
	Change in livestock inventories	92	116	16	-80	36
	Grain in Commercial Channels	36	-128	-160	-276	-132

(1) See footnote 1, Table 2.

(2) For details of defence expenditures, see line 3, Table 13.

(3) See footnote 3, Table 2.

(4) In the seasonally adjusted series, the value of grain production in each quarter is taken as one-fourth of the estimated value of crop production for the year as a whole (see footnote 2, Table 10). All other items in the farm inventories series are seasonally adjusted by standard techniques.

TABLE 11. Gross National Expenditure, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

1959					1960					No.
I	II	III	IV	Year	I	II	III	IV	Year	
22,244	22,436	22,696	22,988	22,591	23,132	23,368	23,612	23,936	23,512	1
6,412	6,576	6,440	6,532	6,490	6,624	6,560	6,988	6,848	6,755	2
6,604	6,964	7,044	6,964	6,894	6,968	6,624	6,560	6,616	6,692	3
1,788	1,740	1,688	1,720	1,734	1,600	1,396	1,392	1,384	1,443	4
2,500	2,624	2,600	2,632	2,589	2,612	2,540	2,584	2,572	2,577	5
2,316	2,600	2,756	2,612	2,571	2,756	2,688	2,584	2,660	2,672	6
284	236	624	284	357	848	372	-88	312	361	7
496	252	616	320	421	828	276	-180	176	275	8
-212	-16	8	-36	-64	20	96	92	136	86	9
6,344	6,688	6,636	7,064	6,683	7,216	6,812	7,116	6,888	7,008	10
-7,844	-8,084	-8,316	-8,280	-8,131	-8,332	-8,176	-8,056	-8,124	-8,172	11
20	-36	60	80	31	-96	316	124	48	98	12
34,064	34,780	35,184	35,632	34,915	36,360	35,876	36,256	36,524	36,254	13
912	912	912	912	912	1,008	1,008	1,012	1,012	1,010	
-1,164	-948	-920	-1,000	-1,008	-924	-1,028	-1,060	-1,020	-1,008	
8	20	28	24	20	32	-76	20	80	14	
22	-	-12	28	12	-96	192	120	64	70	
1962										
I	II	III	IV	Year						
25,540	25,592	25,696	26,168	25,749						
7,384	7,900	7,824	7,776	7,721						
6,888	6,860	7,016	7,052	6,954						
1,536	1,564	1,616	1,592	1,577						
2,756	2,676	2,588	2,652	2,668						
2,596	2,620	2,812	2,808	2,709						
384	360	1,016	500	565						
200	328	800	172	375						
184	32	216	328	190						
7,940	8,272	8,248	8,436	8,224						
-8,972	-9,176	-9,144	-8,840	-9,033						
384	240	100	160	221						
39,548	40,048	40,756	41,252	40,401						
1,172	1,176	1,176	1,176	1,175						
-856	-872	-1,104	-1,364	-1,049						
28	24	52	-12	23						
-160	-296	92	528	41						

TABLE 12. Source of Personal Income, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Wages, salaries, and supplementary labour income	16,288	16,524	16,552	16,720	16,521	17,164	17,376	17,432	17,864	17,459
2.	Deduct: Employer and employee contributions to social insurance and government pension funds	-600	-612	-624	-624	-615	-620	-628	-644	-716	-652
3.	Military pay and allowances ..	492	496	484	492	491	496	504	500	484	496
4.	Net income received by farm operators from farm production(1)	1,208	1,208	1,168	1,220	1,201	1,064	1,264	1,132	1,044	1,126
5.	Net income of non-farm unincorporated business	2,140	2,064	2,116	2,180	2,125	2,136	2,240	2,224	2,240	2,210
6.	Interest, dividends, and net rental income of persons(2)	2,200	2,232	2,348	2,328	2,277	2,452	2,544	2,668	2,732	2,599
	Transfer payments to persons:										
7.	From government (excluding interest)	2,468	2,520	2,684	2,876	2,637	2,656	2,836	2,708	2,820	2,755
8.	Charitable contributions by corporations	36	36	40	40	38	40	44	44	44	43
9.	PERSONAL INCOME	24,232	24,468	24,768	25,232	24,675	25,388	26,180	26,064	26,512	26,036

- (1) This item differs from line 6, Table 10 by excluding the adjustment which has been made to take account of the amount of earnings arising out of the operations of the Canadian Wheat Board.
(2) Includes all government debt interest paid to persons.

TABLE 13. Disposition of Personal Income, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Personal direct taxes	1,868	1,616	1,788	1,908	1,795	1,988	1,972	2,152	2,240	2,088
2.	Income taxes	1,628	1,380	1,576	1,632	1,554	1,636	1,636	1,816	1,888	1,744
3.	Succession duties and estate taxes	132	132	108	132	126	140	120	124	136	130
4.	Miscellaneous	108	104	104	144	115	212	216	212	216	214
5.	Personal expenditure on consumer goods and services ...	20,796	21,056	21,392	21,736	21,245	22,244	22,436	22,696	22,988	22,591
6.	Non-durable goods	10,776	10,864	10,880	10,992	10,878	11,200	11,276	11,400	11,616	11,373
7.	Durable goods	2,436	2,436	2,552	2,572	2,499	2,668	2,732	2,684	2,628	2,678
8.	Services(1)	7,584	7,756	7,960	8,172	7,868	8,376	8,428	8,612	8,744	8,540
9.	Personal net saving	1,568	1,796	1,588	1,588	1,635	1,156	1,772	1,216	1,284	1,357
10.	PERSONAL INCOME	24,232	24,468	24,768	25,232	24,675	25,388	26,180	26,064	26,512	26,036
11.	(Personal disposable income)(2)	(22,364)	(22,852)	(22,980)	(23,324)	(22,880)	(23,400)	(24,208)	(23,912)	(24,272)	(23,948)

- (1) Includes net expenditure abroad.
(2) Personal Income less Total Personal Direct Taxes.

TABLE 12. Source of Personal Income, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
18,084	18,172	18,316	18,432	18,251	18,588	18,908	19,244	19,532	19,068	19,940	20,268	20,500	20,728	20,359	1
-740	-700	-764	-776	-745	-756	-792	-796	-804	-787	-792	-812	-828	-832	-816	2
496	504	508	528	509	532	544	560	564	550	600	588	600	556	586	3
1,152	1,132	1,172	1,256	1,178	1,040	836	988	932	949	1,200	1,792	1,340	1,276	1,402	4
2,220	2,240	2,180	2,212	2,213	2,184	2,224	2,400	2,348	2,289	2,432	2,360	2,344	2,384	2,380	5
2,808	2,792	2,836	2,908	2,836	2,932	2,968	2,960	3,080	2,985	3,020	3,192	3,204	3,328	3,186	6
3,036	3,036	3,184	3,260	3,129	3,332	3,424	3,392	3,484	3,408	3,760	3,572	3,596	3,680	3,652	7
40	40	40	40	40	44	44	44	44	44	44	44	44	48	45	8
27,096	27,216	27,472	27,860	27,411	27,896	28,156	28,792	29,180	28,506	30,204	31,004	30,800	31,168	30,794	9

TABLE 13. Disposition of Personal Income, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(billions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
2,316	2,384	2,352	2,388	2,360	2,396	2,504	2,572	2,572	2,511	2,640	2,652	2,752	2,812	2,714	1
1,892	2,020	2,000	2,000	1,978	2,016	2,136	2,180	2,192	2,131	2,220	2,272	2,348	2,404	2,311	2
200	148	128	156	158	148	136	148	144	144	168	160	172	164	166	3
224	216	224	232	224	232	232	244	236	236	252	220	232	244	237	4
23,132	23,368	23,612	23,936	23,512	23,920	24,372	24,732	24,920	24,486	25,540	25,592	25,696	26,168	25,749	5
11,600	11,692	11,868	11,980	11,785	11,984	12,256	12,280	12,508	12,257	12,832	12,724	12,920	13,032	12,877	6
2,684	2,668	2,624	2,700	2,669	2,556	2,656	2,852	2,724	2,697	2,928	2,932	2,764	3,028	2,913	7
8,848	9,008	9,120	9,256	9,058	9,380	9,460	9,600	9,688	9,532	9,780	9,936	10,012	10,108	9,959	8
1,648	1,464	1,508	1,536	1,539	1,580	1,280	1,488	1,688	1,509	2,024	2,760	2,352	2,188	2,331	9
27,096	27,216	27,472	27,860	27,411	27,896	28,156	28,792	29,180	28,506	30,204	31,004	30,800	31,168	30,794	10
(24,780)	(24,832)	(25,120)	(25,472)	(25,051)	(25,500)	(25,652)	(26,220)	(26,608)	(25,995)	(27,564)	(28,352)	(28,048)	(28,356)	(28,080)	11

TABLE 14. Government Revenue, by Quarters, 1958-59 Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Direct taxes - Persons	1,868	1,616	1,788	1,908	1,795	1,988	1,972	2,152	2,240	2,088
2.	Federal	1,664	1,412	1,592	1,656	1,581	1,672	1,668	1,828	1,912	1,770
3.	Provincial and municipal	204	204	196	252	214	316	304	324	328	318
4.	Direct taxes - Corporations	1,244	1,260	1,376	1,380	1,315	1,488	1,632	1,576	1,628	1,581
5.	Federal	1,016	1,032	1,124	1,128	1,075	1,236	1,356	1,308	1,340	1,310
6.	(Federal tax collections)(1)	(1,204)	(1,004)	(1,024)	(1,112)	(1,086)	(1,064)	(1,176)	(1,176)	(1,252)	(1,167)
7.	Provincial	228	228	252	252	240	252	276	268	288	271
8.	(Provincial tax collections)	(232)	(240)	(232)	(252)	(239)	(240)	(256)	(260)	(276)	(258)
	Withholding taxes:										
9.	Federal(2)	28	24	72	68	48	76	64	80	76	74
10.	Indirect taxes	4,020	3,988	4,000	4,104	4,028	4,288	4,448	4,560	4,560	4,464
11.	Federal	1,912	1,876	1,912	1,948	1,912	1,980	2,128	2,180	2,212	2,128
12.	Provincial and municipal(3)	2,108	2,112	2,088	2,156	2,116	2,308	2,320	2,380	2,348	2,336
13.	Investment income	872	892	1,008	976	937	992	976	1,008	1,016	998
14.	Federal	276	288	380	364	327	372	324	352	352	350
15.	Provincial and municipal	596	604	628	612	610	620	652	656	664	648
16.	Employer and employee contributions to social insurance and government pension funds	600	612	624	624	615	620	628	644	716	652
17.	Federal	388	392	396	388	391	396	392	400	468	414
18.	Provincial and municipal	212	220	228	236	224	224	236	244	248	238
	Transfers from Federal:										
19.	Provincial and municipal	608	624	660	760	663	760	836	968	956	880
20.	TOTAL REVENUE	9,240	9,016	9,528	9,820	9,401	10,212	10,556	10,988	11,192	10,737
21.	FEDERAL	5,284	5,024	5,476	5,552	5,334	5,732	5,932	6,148	6,360	6,043
22.	PROVINCIAL and MUNICIPAL	3,956	3,992	4,052	4,268	4,067	4,480	4,624	4,840	4,832	4,694

(1) These data are now adjusted to exclude taxes paid by the proprietary corporations of the federal government. For revisions to earlier years see footnote 2, Table 5.

(2) See footnote 1, Table 5.

(3) The quarterly figures of real property taxes unadjusted and seasonally adjusted are obtained by dividing annual totals by four since real property taxes accrue uniformly throughout the taxation year. Because in recent years, changes in real property tax rates have been generally upward this treatment gives rise to fictitious seasonal between the fourth and first quarters in the seasonally adjusted indirect taxes series.

TABLE 14. Government Revenues, by Quarters, 1958-62 Seasonally Adjusted or Annual Rates
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
2,316	2,384	2,352	2,388	2,360	2,396	2,504	2,572	2,572	2,511	2,640	2,652	2,752	2,812	2,714	1
1,964	2,044	2,024	2,036	2,017	2,040	2,120	2,172	2,196	2,132	2,072	2,040	2,104	2,136	2,088	2
352	340	328	352	343	356	384	400	376	379	568	612	648	676	626	3
1,640	1,608	1,528	1,472	1,562	1,448	1,568	1,708	1,724	1,612	1,768	1,768	1,700	1,764	1,750	4
1,352	1,328	1,256	1,200	1,284	1,188	1,276	1,392	1,388	1,311	1,356	1,348	1,296	1,312	1,328	5
(1,280)	(1,440)	(1,420)	(1,316)	(1,364)	(1,288)	(1,268)	(1,228)	(1,284)	(1,267)	(1,368)	(1,296)	(1,252)	(1,260)	(1,294)	6
288	280	272	272	278	260	292	316	336	301	412	420	404	452	422	7
(288)	(304)	(332)	(284)	(302)	(268)	(284)	(288)	(296)	(284)	(324)	(304)	(404)	(412)	(361)	8
76	76	76	88	79	116	112	112	124	116	104	144	112	140	125	9
4,692	4,724	4,640	4,768	4,706	4,808	4,868	4,952	5,252	4,970	5,424	5,464	5,648	5,672	5,552	10
2,188	2,216	2,108	2,208	2,180	2,164	2,156	2,164	2,276	2,190	2,316	2,324	2,480	2,480	2,400	11
2,504	2,508	2,532	2,560	2,526	2,644	2,712	2,788	2,976	2,780	3,108	3,140	3,168	3,192	3,152	12
1,056	1,044	1,040	1,072	1,053	1,072	1,056	1,212	1,180	1,130	1,192	1,200	1,148	1,304	1,211	13
400	380	360	396	384	384	348	496	408	409	408	444	388	552	448	14
656	664	680	676	669	688	708	716	772	721	784	756	760	752	763	15
740	700	764	776	745	756	792	796	804	787	812	812	828	832	816	16
492	440	496	500	482	496	512	512	520	510	508	516	524	524	518	17
248	260	268	276	263	260	280	284	284	277	284	296	304	308	298	18
972	980	1,008	1,016	994	1,020	1,172	1,176	1,144	1,128	1,184	1,004	1,156	1,200	1,136	19
11,492	11,516	11,408	11,580	11,499	11,616	12,072	12,528	12,800	12,254	13,104	13,044	13,344	13,724	13,304	20
6,472	6,484	6,320	6,428	6,426	6,388	6,524	6,848	6,912	6,668	6,764	6,816	6,904	7,144	6,907	21
5,020	5,032	5,088	5,152	5,073	5,228	5,548	5,680	5,888	5,586	6,340	6,228	6,440	6,580	6,397	22

TABLE 15. Government Expenditure, by Quarters, 1952-53 Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Goods and services	5,924	6,212	6,292	6,292	6,180	6,412	6,576	6,440	6,532	6,490
2.	Federal	2,804	2,836	2,884	2,892	2,854	2,896	2,936	2,740	2,756	2,832
3.	(Defence)	(1,680)	(1,688)	(1,648)	(1,628)	(1,661)	(1,636)	(1,584)	(1,504)	(1,512)	(1,559)
4.	Provincial and municipal	3,120	3,376	3,408	3,400	3,326	3,516	3,640	3,700	3,776	3,658
5.	Transfer payments to persons (excluding interest on the public debt)	2,468	2,520	2,684	2,876	2,637	2,656	2,836	2,708	2,820	2,755
6.	Federal	1,756	1,860	1,896	2,084	1,899	1,816	1,812	1,756	1,780	1,791
7.	Provincial and municipal	712	660	788	792	738	840	1,024	952	1,040	964
8.	Interest on the public debt	752	768	808	800	782	844	952	1,072	984	963
9.	Federal	528	528	572	548	544	580	668	772	692	678
10.	Provincial and municipal	224	240	236	252	238	264	284	300	292	285
11.	Subsidies	136	136	160	152	146	188	200	204	228	205
12.	Federal	124	120	144	136	131	172	184	188	212	182
13.	Provincial	12	16	16	16	15	16	16	16	16	16
	Transfers to other levels of government:										
14.	Federal	608	624	660	760	663	760	836	968	956	880
15.	Total expenditure	9,888	10,260	10,604	10,880	10,408	10,860	11,400	11,392	11,520	11,293
16.	Federal	5,820	5,968	6,156	6,420	6,091	6,224	6,436	6,424	6,396	6,370
17.	Provincial and municipal	4,068	4,292	4,448	4,460	4,317	4,636	4,964	4,968	5,124	4,923
18.	Deficit (-) or surplus (+)	-648	-1,244	-1,076	-1,060	-1,007	-648	-844	-404	-328	-556
19.	Federal	-536	-944	-680	-868	-757	-492	-504	-276	-36	-327
20.	Provincial and municipal	-112	-300	-396	-192	-250	-156	-340	-128	-292	-229
21.	TOTAL EXPENDITURE MINUS DEFICIT OR PLUS SURPLUS	9,240	9,016	9,528	9,820	9,401	10,212	10,556	10,988	11,192	10,737
22.	FEDERAL	5,284	5,024	5,476	5,552	5,334	5,732	5,932	6,148	6,360	6,043
23.	PROVINCIAL AND MUNICIPAL	3,956	3,992	4,052	4,268	4,067	4,480	4,624	4,840	4,832	4,694

(1) In this quarter the federal deficit is irregularly high by about \$300 million and the provincial-municipal deficit correspondingly low as a consequence of the introduction of the new tax collection arrangements and the continuation in this quarter of transfer payments to the provinces under the former tax rental agreements.

TABLE 15. Government Expenditure, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
6,624	6,560	6,988	6,848	6,755	7,088	7,076	7,268	7,388	7,205	7,384	7,900	7,824	7,776	7,721	1
2,720	2,604	2,796	2,780	2,725	2,880	2,936	3,012	3,068	2,974	3,032	3,188	2,952	2,860	3,008	2
(1,548)	(1,488)	(1,580)	(1,568)	(1,546)	(1,560)	(1,608)	(1,600)	(1,684)	(1,613)	(1,684)	(1,744)	(1,644)	(1,648)	(1,680)	3
3,904	3,956	4,192	4,068	4,030	4,208	4,140	4,256	4,320	4,231	4,352	4,712	4,872	4,916	4,713	4
3,036	3,036	3,184	3,260	3,129	3,332	3,424	3,392	3,484	3,408	3,760	3,572	3,596	3,680	3,652	5
1,944	1,908	2,020	2,044	1,979	2,024	2,052	1,972	2,012	2,015	2,312	2,088	2,032	2,056	2,122	6
1,092	1,128	1,164	1,216	1,150	1,308	1,372	1,420	1,472	1,393	1,448	1,484	1,564	1,624	1,530	7
1,148	1,012	1,092	1,132	1,096	1,128	1,208	1,116	1,204	1,164	1,172	1,320	1,260	1,344	1,274	8
820	684	744	776	756	772	824	728	808	783	772	912	828	908	855	9
328	328	348	356	340	356	384	388	396	381	400	408	432	436	419	10
228	228	240	248	236	212	212	360	232	254	272	272	224	396	291	11
204	204	212	220	210	180	180	328	196	221	244	240	192	364	260	12
24	24	28	28	26	32	32	32	36	33	28	32	32	32	31	13
972	980	1,008	1,016	994	1,020	1,172	1,176	1,144	1,128	1,184	1,004	1,156	1,200	1,136	14
12,008	11,816	12,512	12,504	12,210	12,780	13,092	13,312	13,452	13,159	13,772	14,068	14,060	14,396	14,074	15
6,660	6,380	6,780	6,836	6,664	6,876	7,164	7,216	7,228	7,121	7,544	7,432	7,160	7,388	7,381	16
5,348	5,436	5,732	5,668	5,546	5,904	5,928	6,096	6,224	6,038	6,228	6,636	6,900	7,008	6,693	17
-516	-300	-1,104	-924	-711	-1,164	-1,020	-784	-652	-905	-668	-1,024	-716	-672	-770	18
-188	104	-460	-408	-238	-488	-640	-368	-316	-453	-780(1)	-616	-256	-244	-474	19
-328	-404	-644	-516	-473	-676	-380	-416	-336	-452	112(1)	-408	-460	-428	-296	20
11,492	11,516	11,408	11,580	11,499	11,616	12,072	12,528	12,800	12,254	13,104	13,044	13,344	13,724	13,304	21
6,472	6,484	6,320	6,428	6,426	6,388	6,524	6,848	6,912	6,668	6,764	6,816	6,904	7,144	6,907	22
5,020	5,032	5,088	5,152	5,073	5,228	5,548	5,680	5,888	5,586	6,340	6,228	6,440	6,580	6,397	23

TABLE 16. Source of National Saving, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Personal net saving	1,568	1,796	1,588	1,588	1,635	1,156	1,772	1,216	1,284	1,357
2.	Business gross saving	4,768	4,688	4,580	5,060	4,774	5,028	5,020	5,356	5,336	5,185
3.	Undistributed corporation profits	824	764	780	1,136	876	1,012	936	1,024	972	986
4.	Capital consumption allowances and miscellaneous valuation adjustments	3,948	3,892	3,816	3,940	3,899	4,004	4,152	4,316	4,344	4,204
5.	Adjustment on grain transactions(1) ..	-4	32	-16	-16	-1	12	-68	16	20	-5
6.	Inventory valuation adjustment	-140	104	36	-140	-35	-112	-212	-64	-100	-122
7.	Government surplus (+) or deficit(-) ...	-648	-1,244	-1,076	-1,060	-1,007	-648	-844	-404	-328	-556
8.	Residual error of estimate	-180	260	276	52	102	-16	32	-56	-80	-30
9.	Totals	5,368	5,604	5,404	5,500	5,469	5,408	5,768	6,048	6,112	5,834

(1) This item is an adjustment to take account of the accrued earnings of farm operators arising out of the operations of the Canadian Wheat Board. See also footnote 1, Table 3.

TABLE 17. Disposition of National Saving, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Business gross fixed capital formation	6,984	7,000	6,924	6,992	6,975	6,604	6,964	7,044	6,964	6,894
2.	New residential construction	1,624	1,760	1,796	1,872	1,763	1,788	1,740	1,688	1,720	1,734
3.	New non-residential construction	2,876	2,872	2,796	2,700	2,811	2,500	2,624	2,600	2,632	2,589
4.	New machinery and equipment	2,484	2,368	2,332	2,420	2,401	2,316	2,600	2,756	2,612	2,571
5.	Value of physical change in inventories	-808	-268	-88	-124	-322	284	236	624	284	357
6.	Surplus (+) or deficit (-) on current account with non-residents	-992	-868	-1,160	-1,312	-1,083	-1,500	-1,396	-1,680	-1,216	-1,448
7.	Residual error of estimate	184	-260	-272	-56	-101	20	-36	60	80	31
8.	Totals	5,368	5,604	5,404	5,500	5,469	5,408	5,768	6,048	6,112	5,834

TABLE 16. Sources of National Saving, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
1,648	1,464	1,508	1,536	1,539	1,580	1,280	1,488	1,688	1,509	2,024	2,760	2,352	2,188	2,331	1
5,552	5,292	5,332	5,176	5,338	4,804	5,452	5,440	5,676	5,343	5,756	5,236	5,900	6,000	5,723	2
1,052	792	856	792	873	312	864	872	1,064	778	880	904	1,032	1,100	979	3
4,484	4,492	4,476	4,384	4,459	4,492	4,472	4,564	4,628	4,539	4,660	4,704	4,756	4,900	4,755	4
16	8	-	-	6	-	116	4	-16	26	216	-372	112	-	-11	5
-176	-188	40	4	-80	56	-52	-144	-128	-67	-108	-176	-196	-48	-132	6
-516	-300	-1,104	-924	-711	-1,164	-1,020	-784	-652	-905	-668	-1,024	-716	-672	-770	7
96	-320	-120	-52	-99	-48	40	-296	-296	-150	-380	-240	-104	-160	-221	8
6,604	5,948	5,656	5,740	5,987	5,228	5,700	5,704	6,288	5,730	6,624	6,556	7,236	7,308	6,931	9

TABLE 17. Disposition of National Saving, by Quarters, 1958-62 Seasonally Adjusted at Annual Rates
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
6,968	6,624	6,560	6,616	6,692	6,564	6,500	6,692	6,784	6,635	6,888	6,860	7,016	7,052	6,954	1
1,600	1,396	1,392	1,384	1,443	1,412	1,448	1,496	1,476	1,458	1,536	1,564	1,616	1,592	1,577	2
2,612	2,540	2,584	2,572	2,577	2,604	2,632	2,704	2,792	2,683	2,756	2,676	2,588	2,652	2,668	3
2,756	2,688	2,584	2,660	2,672	2,548	2,420	2,492	2,516	2,494	2,596	2,620	2,812	2,808	2,709	4
848	372	-88	312	361	-268	-56	-484	232	-144	384	360	1,016	500	565	5
-1,116	-1,364	-940	-1,236	-1,164	-1,116	-704	-804	-1,020	-911	-1,032	-904	-896	-404	-809	6
-96	316	124	48	98	48	-40	300	292	150	384	240	100	160	221	7
6,604	5,948	5,656	5,740	5,987	5,228	5,700	5,704	6,288	5,730	6,624	6,556	7,236	7,308	6,931	8

TABLE 18. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1958-62(1)
Seasonally Adjusted at Annual Rates
(millions of dollars)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Personal expenditure on consumer goods and services	20,472	20,448	20,836	21,072	20,707	21,448	21,612	21,804	21,980	21,711
2.	Non-durable goods	10,624	10,512	10,660	10,772	10,642	10,932	11,020	11,128	11,284	11,091
3.	Durable goods	2,436	2,412	2,512	2,496	2,464	2,592	2,648	2,596	2,532	2,592
4.	Services	7,412	7,524	7,664	7,804	7,601	7,924	7,944	8,080	8,164	8,028
5.	Government expenditure on goods and services	5,892	6,172	6,232	6,156	6,113	6,224	6,324	6,112	6,160	6,205
6.	Business gross fixed capital formation	6,864	6,872	6,780	6,784	6,825	6,360	6,636	6,676	6,576	6,562
7.	New residential construction	1,600	1,732	1,752	1,804	1,722	1,708	1,644	1,580	1,600	1,633
8.	New non-residential construction	2,852	2,836	2,756	2,624	2,767	2,420	2,512	2,472	2,488	2,473
9.	New machinery and equipment	2,412	2,304	2,272	2,356	2,336	2,232	2,480	2,624	2,488	2,456
10.	Change in inventories	-796	-280	-72	-108	-314	292	228	592	240	338
11.	Non-farm business inventories	-692	-168	-	76	-196	480	260	604	312	414
12.	Farm inventories and grain in commercial channels	-104	-112	-72	-184	-118	-188	-32	-12	-72	-76
13.	Exports of goods and services	6,348	6,480	6,224	6,408	6,365	6,276	6,632	6,568	6,964	6,610
14.	Deduct: Imports of goods and services ..	-7,164	-7,216	-7,244	-7,628	-7,313	-7,756	-8,012	-8,248	-8,216	-8,058
15.	Residual error of estimate	172	-252	-260	-56	-99	20	-36	56	80	30
16.	GROSS NATIONAL EXPENDITURE IN CONSTANT (1957) DOLLARS	31,788	32,224	32,496	32,628	32,284	32,864	33,384	33,560	33,784	33,390

(1) See footnote 1, Table 9.

TABLE 19. Implicit Price Indexes - Seasonally Adjusted
Gross National Expenditure, (1) 1958-62
(1957 = 100)

No.		1958					1959				
		I	II	III	IV	Year	I	II	III	IV	Year
1.	Personal expenditure on consumer goods and services	101.6	103.0	102.7	103.2	102.6	103.7	103.8	104.1	104.6	104.1
2.	Non-durable goods	101.4	103.3	102.1	102.0	102.3	102.5	102.3	102.4	102.9	102.5
3.	Durable goods	100.4	101.2	101.7	103.2	101.5	102.9	103.2	103.4	103.8	103.3
4.	Services	102.4	103.2	103.9	104.7	103.6	105.7	106.1	106.6	107.1	106.4
5.	Government expenditure on goods and services	100.5	100.6	101.0	102.2	101.1	103.0	104.0	105.4	106.0	104.6
6.	Business gross fixed capital formation	101.7	101.9	102.1	103.1	102.2	103.8	104.9	105.5	105.9	105.1
7.	New residential construction	101.5	101.6	102.5	103.8	102.4	104.7	105.8	106.8	107.5	106.2
8.	New non-residential construction	100.8	101.3	101.5	102.9	101.6	103.3	104.5	105.2	105.8	104.7
9.	New machinery and equipment	103.0	102.8	102.6	102.7	102.8	103.8	104.8	105.0	105.0	104.7
10.	Exports of goods and services	99.6	99.2	99.3	100.3	99.6	101.1	100.8	101.0	101.4	101.1
11.	Imports of goods and services	102.1	101.1	101.3	101.5	101.5	101.1	100.9	100.8	100.8	100.9
12.	GROSS NATIONAL EXPENDITURE	100.9	102.0	101.8	102.8	101.9	103.7	104.2	104.8	105.5	104.5

(1) These implicit indexes are currently weighted price indexes. They reflect not only pure price changes, but also changing expenditure patterns within and between major groups. Quarter to quarter comparisons based on the seasonally adjusted data are less subject to the problem of shifting weights than are similar comparisons based on data unadjusted for seasonality, and therefore may be used as indicators of price change.

TABLE 15. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1958-62(1)
Seasonally Adjusted at Annual Rates
(millions of dollars)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
22,132	22,228	22,440	22,628	22,357	22,580	23,008	23,276	23,416	23,070	23,912	23,828	23,784	24,136	23,915	1
11,324	11,348	11,520	11,548	11,435	11,544	11,820	11,808	12,036	11,802	12,308	12,136	12,256	12,296	12,249	2
2,584	2,576	2,548	2,640	2,587	2,516	2,620	2,828	2,708	2,668	2,912	2,912	2,732	2,996	2,888	3
8,224	8,304	8,372	8,440	8,335	8,520	8,568	8,640	8,672	8,600	8,692	8,780	8,796	8,844	8,778	4
6,216	6,092	6,436	6,276	6,255	6,472	6,464	6,604	6,636	6,544	6,544	6,948	6,836	6,716	6,761	5
6,528	6,172	6,088	6,136	6,231	6,072	6,012	6,176	6,228	6,122	6,268	6,192	6,284	6,284	6,257	6
1,480	1,280	1,272	1,260	1,323	1,288	1,320	1,364	1,340	1,328	1,376	1,392	1,424	1,396	1,397	7
2,444	2,376	2,400	2,396	2,404	2,424	2,444	2,520	2,584	2,493	2,532	2,440	2,352	2,396	2,430	8
2,604	2,516	2,416	2,480	2,504	2,360	2,248	2,292	2,304	2,301	2,360	2,360	2,508	2,492	2,430	9
816	372	-108	300	345	-292	-56	-480	256	-143	416	396	960	424	549	10
804	276	-180	184	271	8	388	-52	744	272	204	316	760	156	359	11
12	96	72	116	74	-300	-444	-428	-488	-415	212	80	200	268	190	12
7,124	6,672	6,976	6,764	6,884	7,116	7,340	7,584	7,568	7,402	7,536	7,776	7,724	7,880	7,729	13
-8,272	-8,016	-7,880	-7,912	-8,020	-8,084	-7,908	-8,148	-8,308	-8,112	-8,248	-8,332	-8,288	-8,008	-8,219	14
-92	300	116	44	92	44	-36	280	272	140	356	220	92	144	203	15
34,452	33,820	34,068	34,236	34,144	33,908	34,824	35,292	36,068	35,023	36,784	37,028	37,392	37,576	37,195	16

TABLE 16. Implicit Price Indexes - Seasonally Adjusted
Gross National Expenditure, (1) 1958-62
(1957 = 100)

1960					1961					1962					No.
I	II	III	IV	Year	I	II	III	IV	Year	I	II	III	IV	Year	
104.5	105.1	105.2	105.8	105.2	105.9	105.9	106.3	106.4	106.1	106.8	107.4	108.0	108.4	107.7	1
102.4	103.0	103.0	103.7	103.1	103.8	103.7	104.0	103.9	103.9	104.3	104.8	105.4	106.0	105.1	2
103.9	103.6	103.0	102.3	103.2	101.6	101.4	100.8	100.6	101.1	100.5	100.7	101.2	101.1	100.9	3
107.6	108.5	108.9	109.7	108.7	110.1	110.4	111.1	111.7	110.8	112.5	113.2	113.8	114.3	113.5	4
106.6	107.7	108.6	109.1	108.0	109.5	109.5	110.1	111.3	110.1	112.8	113.7	114.5	115.8	114.2	5
106.7	107.3	107.8	107.8	107.4	108.1	108.1	108.4	108.9	108.4	109.9	110.8	111.6	112.2	111.1	6
108.1	109.1	109.4	109.8	109.1	109.6	109.7	109.7	110.1	109.8	111.6	112.4	113.5	114.0	112.9	7
106.9	106.9	107.7	107.3	107.2	107.4	107.7	107.3	108.0	107.6	108.8	109.7	110.0	110.7	109.8	8
105.8	106.8	107.0	107.3	106.7	108.0	107.7	108.7	109.2	108.4	110.0	111.0	112.1	112.7	111.5	9
101.3	102.1	102.0	101.8	101.8	102.1	102.1	103.6	104.5	103.1	105.4	106.4	106.8	107.1	106.4	10
100.7	102.0	102.2	102.7	101.9	103.7	103.6	106.3	107.5	105.3	108.8	110.1	110.3	110.4	109.9	11
105.5	106.1	106.4	106.7	106.2	106.9	106.7	106.8	107.0	106.8	107.5	108.2	109.0	109.8	108.6	12

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TABLE 20. Business Gross Fixed Capital Formation, by Industry, 1958-62(1)
(millions of dollars)

	1958	1959	1960	1961	1962
1. Agriculture	465	539	550	576	648
2. Fishing and trapping					
3. Forestry	33	48	54	50	53
4. Mining, quarrying, and oil wells	342	342	400	449	478
5. Manufacturing	1,095	1,144	1,178	1,085	1,231
6. Construction	157	145	130	136	143
7. Transportation	967	746	704	645	489
8. Storage					
9. Communication(2)	336	325	377	337	389
10. Electric power, gas and water utilities ...	845	766	688	710	748
11. Trade	356	363	381	307	305
12. Finance, insurance and real estate(3)	1,943	2,001	1,722	1,770	1,885
13. Service(4)	436	475	508	570	585
14. Totals	6,975	6,894	6,692	6,635	6,954

(1) This table is derived from "Private and Public Investment in Canada", publications. Additional detail has been provided by the DBS Business Finance Division, and adjustments have been made to bring the data into line with National Accounting concepts. See reconciliation statement, Table 21. For an industrial distribution of total private and public investment, see Table 1 in the aforementioned publications.

(2) Excludes investment expenditures by the Canadian Broadcasting Corporation, which are included in "Government Expenditure on Goods and Services".

(3) Includes all new residential construction, (exclusive of government other than government business enterprise). See Table 2.

(4) Excludes government departmental expenditures, federal hospital, provincial hospital and school, and municipal school expenditures, which are included with "Government Expenditure on Goods and Services". Investment expenditure of government business enterprises (railway, power commissions, etc.), are included under appropriate industry headings.

TABLE 21. Business Gross Fixed Capital Formation, 1958-62
Reconciliation Statement
(millions of dollars)

	1958	1959	1960	1961	1962
1. Total private and public investment in Canada(1) ...	8,364	8,417	8,262	8,172	8,738
2. Deduct - New residential construction by governments(2)	-19	-18	-13	-9	-10
3. New non-residential construction by governments	-1,237	-1,368	-1,420	-1,368	-1,587
4. New machinery and equipment outlays by governments	-133	-137	-137	-160	-187
5. Business gross fixed capital formation	6,975	6,894	6,692	6,635	6,954

(1) As presented in the publications "Private and Public Investment in Canada".

(2) Excludes residential construction under Veterans' Land Act, construction of veterans' rental housing by Central Mortgage and Housing Corporation, and joint federal-provincial housing (Section 36, National Housing Act) which are included under line 5.

TABLE 22. Exports and Imports of Goods and Services, 1958-62(1)
Reconciliation Statement
(millions of dollars)

	1958	1959	1960	1961	1962
<u>Exports of goods and services:</u>					
1. Merchandise exports	4,887	5,150	5,392	5,889	6,364
2. Gold production available for export	160	148	162	162	165
3. Interest and dividends received from non-residents	168	182	173	209	211
4. Other receipts from services rendered to non-residents	1,222	1,312	1,383	1,474	1,608
5. Sub-total - "Current receipts" as per Canadian Balance of International Payments	6,437	6,792	7,110	7,734	8,348
6. Inheritances and immigrants' funds	-97	-109	-102	-103	-124
7. Total "exports of goods and services" as per National Accounts(2)	6,340	6,683	7,008	7,631	8,224
<u>Imports of goods and services:</u>					
8. Merchandise imports	5,066	5,572	5,540	5,716	6,209
9. Interest and dividends paid to non-residents	612	671	653	770	781
10. Other payments for services rendered to non-residents	1,890	2,053	2,160	2,230	2,206
11. Sub-total - "Current payments" as per Canadian Balance of International Payments	7,568	8,296	8,353	8,716	9,196
12. Inheritances and emigrants' funds	-145	-165	-181	-174	-163
13. Total "imports of goods and services" as per National Accounts(2)	7,423	8,131	8,172	8,542	9,033

(1) Data sources are the reports "Canadian Balance of International Payments" (Balance of Payments Section, Dominion Bureau of Statistics), and other information received from the Balance of Payments Section. Figures exclude mutual aid to N.A.T.O. countries.

(2) See also Table 2.

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