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FIRST QUARTER 1964

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

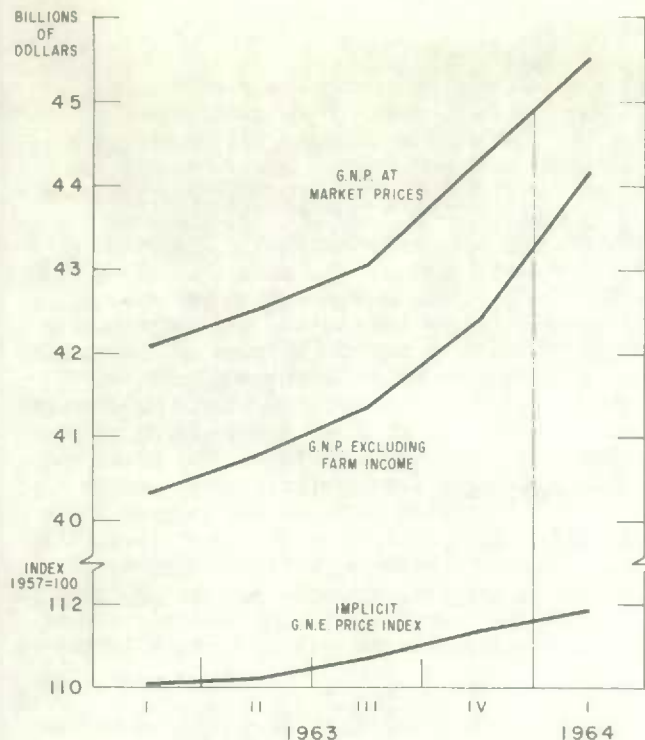
"National Accounts, Income and Expenditure, by Quarters, 1947-61", for the years 1947-58.

"National Accounts, Income and Expenditure, Fourth Quarter and Preliminary Annual, 1963", for the years 1959-62.

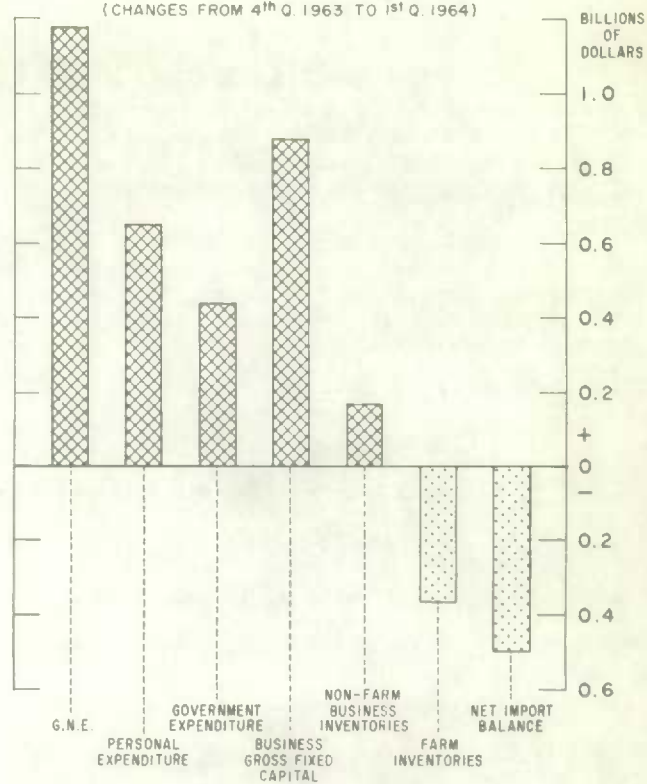
TABLE OF CONTENTS

	Page
Introductory Review	5
Tables Unadjusted for Seasonal Variation:	
Table 1. National Income and Gross National Product, by Quarters, 1963 and 1964	14
Table 2. Gross National Expenditure, by Quarters, 1963 and 1964	14
Table 3. Source of Personal Income, by Quarters, 1963 and 1964	15
Table 4. Disposition of Personal Income, by Quarters, 1963 and 1964	15
Table 5. Government Revenue, by Quarters, 1963 and 1964	16
Table 6. Government Expenditure, by Quarters, 1963 and 1964	16
Table 7. Source of National Saving, by Quarters, 1963 and 1964	17
Table 8. Disposition of National Saving, by Quarters, 1963 and 1964	17
Table 9. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1963 and 1964	18
Tables Adjusted for Seasonal Variation and at Annual Rates:	
Table 10. National Income and Gross National Product, by Quarters, 1963 and 1964	20
Table 11. Gross National Expenditure, by Quarters, 1963 and 1964	20
Table 12. Source of Personal Income, by Quarters, 1963 and 1964	21
Table 13. Disposition of Personal Income, by Quarters, 1963 and 1964	21
Table 14. Government Revenue, by Quarters, 1963 and 1964	22
Table 15. Government Expenditure, by Quarters, 1963 and 1964	22
Table 16. Source of National Saving, by Quarters, 1963 and 1964	23
Table 17. Disposition of National Saving, by Quarters, 1963 and 1964	23
Table 18. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1963 and 1964	24

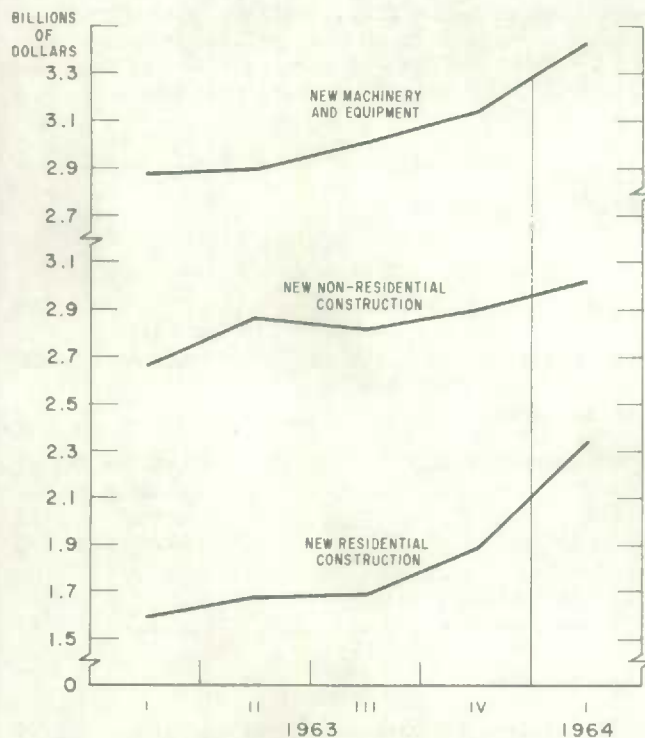
G.N.P. REGISTERED A SIGNIFICANT GAIN IN THE FIRST QUARTER



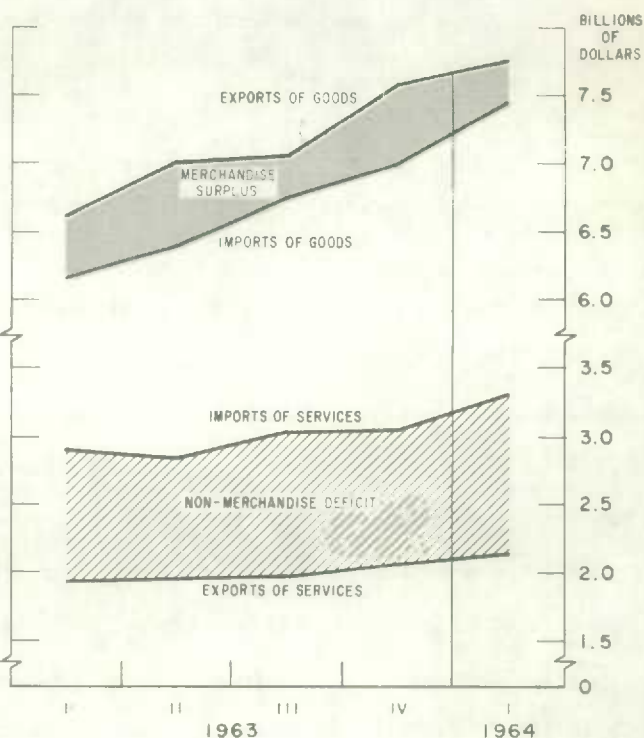
THE MOMENTUM FOR CONTINUED EXPANSION CAME MAINLY FROM CAPITAL OUTLAYS AND PERSONAL EXPENDITURE (CHANGES FROM 4th Q. 1963 TO 1st Q. 1964)



INVESTMENT IN NEW HOUSING WAS AT AN UNPRECEDENTED LEVEL



THE NET IMPORT BALANCE ROSE APPRECIABLY AS IMPORTS RESPONDED TO THE HIGH LEVEL OF DOMESTIC DEMAND



ALL DATA IN THE ABOVE CHARTS ARE SEASONALLY ADJUSTED AT ANNUAL RATES.

INTRODUCTORY REVIEW

Economic activity continued to advance in the first quarter of 1964 when Gross National Product reached \$45.5 billion, at seasonally adjusted annual rates, nearly 3 per cent higher than in the preceding period. Gross National Product excluding accrued net farm income showed a more rapid pace of expansion of over 4 per cent.^{1/} For Gross National Product as a whole prices were up slightly but the major part of the gain represents an increment to the nation's production.

The gain in non-farm Gross National Product is the twelfth successive quarterly increase and much the largest recorded during the course of the current expansion. The main impetus to the advance came from fixed investment, which in turn obtained part of its momentum from two special factors: the federal government's programme of winter house-building incentives, and anticipatory spending in advance of the scheduled April 1st rise in sales taxes on certain classes of investment goods. House-building made a particularly important contribution to total investment outlays, reflecting the large carryover of uncompleted houses and the high rate of housing starts in January and February of this year; the value of residential construction put in place in the first quarter was about 25 per cent higher than in the preceding period. At the same time outlays for plant and equipment rose significantly. The expansionary influences emanating from the investment sector were strongly reinforced by the consumer sector where the first quarter gain was the largest since the first quarter of 1959. However, consumer spending did not rise as much as income available for spending. Forward impetus to the economy also came from government outlays, particularly at the Federal level. The external sector did not demonstrate the exceptional strength apparent in the preceding period. Exports of goods and services were moderately higher but rising domestic demand led to a substantial advance in imports, thereby sharply increasing the deficit on current international account.

Total final purchases rose about \$2 billion compared with a gain of about \$1.5 billion in the preceding quarter. In addition, stocks were built up to support rising levels of production and sales. The rate of build-up in the first quarter was moderate, although considerably higher than in the preceding period. Thus, recent developments were shaped in the main by the expansion of final domestic demand, public as well as private, rather than by sales abroad or the building up of inventories.

Turning to consider expansion as reflected in income flows in the first quarter, the salient developments are a further large advance in labour income, particularly in the cyclically sensitive goods-producing industries, another major increase in corporate profits and varying rates of increase in other elements of non-farm income. The estimate of income from farm production reflects the assumption with respect to the crop mentioned earlier.

The Components of Demand

Consumer Expenditure

Consumer expenditure on goods and services during the first quarter rose by \$652 millions over the fourth quarter 1963, reaching a total of \$28.6 billions seasonally adjusted at annual rates. This gain of 2½ per cent is the largest quarterly increment since the first quarter of 1959 although some element of this may be attributable to the early Easter. With little change in prices at the aggregate level, there was a roughly corresponding rise in real consumption.

^{1/} Gross National Product, the overall measure, assumes an average crop in 1964 in contrast to the record crop harvested last year; this assumption in itself accounts for a \$300 million drop in the value of crop production. The estimates are based on acreage intentions and ten-year average yields. Seasonally adjusted quarterly data are obtained for the crop by dividing the annual crop estimate by four.

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

	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	4Q'62 to 1Q'63	1Q'63 to 2Q'63	2Q'63 to 3Q'63	3Q'63 to 4Q'63	4Q'63 to 1Q'64
1. Personal expenditure	412	- 160	488	420	172	548	84	172	520	424	236	500	572	652
2. Government expenditure	- 80	252	- 108	280	192	4	404	- 264	72	264	112	44	- 104	440
3. Residential construction	- 12	20	64	32	- 40	80	40	32	- 36	8	92	4	200	460
4. Non-residential construction	- 20	60	28	76	48	- 32	- 88	- 68	24	68	196	- 52	88	124
5. Machinery and equipment	84	- 128	- 112	64	24	88	64	148	76	- 16	20	112	128	296
6. Exports of goods and services	- 196	396	144	412	84	40	272	- 8	192	120	428	52	620	252
7. Total final purchases	188	440	504	1,284	480	728	776	12	848	868	1,084	660	1,504	2,224
8. (Final domestic demand)	384	44	360	872	396	688	504	20	656	748	656	608	884	1,972

Quarter to Quarter Changes in Other Selected Items

9. "Shift" in non-farm business inventories	376	- 140	340	- 556	820	- 644	228	424	- 552	- 80	- 136	324	120	172
10. Imports of goods and services	92	276	- 200	408	384	- 24	224	- 84	- 212	176	192	548	240	748
11. G.N.P. (ex. farm)	192	- 148	1,020	444	1,068	240	588	616	576	632	484	568	1,008	1,780

Constant (1957) Dollars

Quarter to Quarter Percentage Changes in Selected Items

12. Final domestic demand	0.6	-	0.8	2.0	0.7	1.1	0.6	- 0.5	1.2	1.2	1.2	0.6	1.5	4.1
13. Total final purchases	0.1	0.6	1.0	2.3	0.6	0.9	0.9	- 0.5	1.3	1.1	2.0	0.5	2.4	3.7
14. Gross national expenditure ..	0.3	- 1.2	2.8	1.3	2.4	1.6	0.7	1.2	1.0	1.4	0.8	0.9	2.3	2.2

Personal spending on goods increased by 2 per cent with outlays on durables showing a relatively larger gain. Within durable goods, two-fifths of the gain came from increased purchases of new and used cars which rose by $3\frac{1}{2}$ per cent. Much of the impetus came from transactions in used cars as new car purchases rose only moderately. Purchases of other durable items also increased substantially, particularly furniture, 6 per cent, and appliances and radios, more than 7 per cent, reflecting in part the level of housing completions in the first quarter.

Sales of non-durable goods showed an increase of more than $1\frac{1}{2}$ per cent, which is slightly above the average quarterly rate of growth of the past few years. The chief areas of growth were food and clothing, both of which increased by about 2 per cent, and alcoholic beverages which rose by more than $7\frac{1}{2}$ per cent. The sharp rise in purchases of alcoholic beverages may, in part, reflect anticipatory buying by consumers after it was announced that prices were to be increased.

Changes in other components of this category, some showing marginal increases and others declining were offsetting. There was a significant decline in tobacco sales.

The demand for services rose by almost 3 per cent, the strongest gain in this component since the first quarter of 1959. Rapidly increasing expenditures on purchased transportation and personal services were the principal contributing factors in the buoyant demand for services. The $4\frac{1}{2}$ per cent increase in purchased transportation reflects, in the main, rising revenues of urban and inter-urban transit systems, in part attributable to increases in fares.

In addition, net consumer expenditure abroad, - the difference between expenditures of Canadian tourists in foreign countries and those of foreign tourists in Canada - exceeded \$30 millions compared with \$12 millions in the preceding quarter, and also contributed noticeably to the growth in the services component. Most other services showed more moderate gains.

Business Gross Fixed Capital Formation

Spending on fixed capital, including housing, provided the major impetus to production in the first quarter and the rise of 11 per cent carried total capital expenditures to an annual rate of \$8.8 billion after discounting seasonal factors. Just over one half of the increase was attributable to the exceptional strength in residential construction, although the value of both non-residential construction and machinery and equipment investment was significantly higher. The demand for business fixed capital absorbed 19 per cent of GNP compared with 17 per cent in the first quarter of 1963.

The annual rate of housing completions rose to an unsurpassed level of 215.8 thousand in the first quarter as the final qualifying date for the government's winter house-building incentive bonus was approached. The highest previous figure 173.0 thousand was in the second quarter of 1958. The number of housing starts in the first quarter remained at a very high annual rate of 181.0 thousand, after allowance for seasonal factors, although a sharp reduction was apparent in March and April in the centres of population of over 5,000. Direct lending by C.M.H.C. for new housing and lower down-payments for housing combined with the winter house-building incentive programme to raise the level of investment in new housing almost 25 per cent, to \$2,340 million seasonally adjusted at annual rates.

The first quarter estimate of the value of non-residential construction exhibited more strength than the previous two quarters and at an annual rate of \$3,024 million seasonally adjusted was 4 per cent above the final quarter of last year. The strength in this component and particularly in housing was partly reflected in the buoyant level of production in some of the building materials industries and also in employment in the construction industry. As noted below, however, some increase in production may have been generated by a demand for inventory accumulation purposes in the construction industry in order to avoid anticipated price increases due to the tax rise in April.

Estimates of expenditure on machinery and equipment totalled \$3,432 million at seasonally adjusted annual rates, a sharp 9 per cent gain over the previous quarter. Sales of motor vehicles to business rose, and a sharp increase in the level of imported machinery and equipment is anticipated in line with the general rise in merchandise imports. Detailed import statistics for the quarter are not yet available and this element of the estimate must be regarded as subject to rather more than normal revision.

Non-farm Business Inventories

Non-farm business inventories continued to increase at an accelerated rate. After allowance is made for seasonal variation, the inventory build-up was \$556 million at annual rates compared with a build-up of \$384 million in the previous quarter. The greater part of this restocking was in retail trade, and the remainder of the increase was fairly evenly distributed among the other industry groups.

Manufacturing stocks continued to increase but at a reduced rate when compared with the previous quarter, as there was further accumulation of non-durables and depletion of durables. The stock-to-shipments ratio advanced slightly. By stage of manufacture, stocks of raw materials and goods in process rose, while stocks of finished goods declined. Unfilled orders remained at the same level as in the previous quarter while new orders increased, although at less than half the previous rate.

Among wholesale trades, the stock increase in durables offset the liquidation in non-durables. The stock-to-sales ratio declined.

A substantial and general restocking occurred in retail trades. Almost half of this accumulation was due to the larger holdings of new cars, as production was running ahead of high sales.

With the increased activity in the construction industry and the expected increase in tax on building materials in April, considerable stock accumulation was indicated in this industry in the first quarter.

Exports and Imports of Goods and Services

Rapidly rising domestic demand and some special transactions in the external account in the first quarter combined to raise the import balance on current account to a seasonally adjusted annual rate of \$888 million from \$392 million in the previous quarter. The increase resulted mainly from the sharp step-up in payments for both goods and services from abroad. Imports of goods and services climbed about 7 per cent to an annual rate of \$10,792 million after seasonal adjustment, while exports of goods and services rose 2½ per cent to an annual rate of \$9,904 million.

The export balance from merchandise trade dropped to \$308 million from \$596 million at annual rates after allowance for normal seasonal factors. Merchandise exports, adjusted for balance of payments and national accounts purposes, rose 2½ per cent to an annual rate of \$7,776 million, while merchandise imports in partial response to a doubling in the rate of increase in final domestic demand rose over 6½ per cent in the first quarter to an annual rate of \$7,468 million.

The decline in the surplus on trade is greater than might have been anticipated on the basis of published Trade of Canada statistics because of the adjustments for balance of payments and national accounts purposes. These adjustments reflected higher imports on account of progress payments made for capital equipment being purchased abroad, while the rise in exports was dampened by an unusually large adjustment to wheat export values to reflect the timing of shipments more precisely, as well as by an adjustment in export values of military aircraft for which receipts had been credited in earlier periods. The net effect of these adjustments contributed substantially to the reduced surplus in trade.

Changes in both imports and exports in goods were attributable in large measure to trade with the United States. Increased sales abroad were recorded for most of the metals, newsprint, crude petroleum, non-farm machinery, asbestos and fish. Commodity detail is not available to identify components of the increase in merchandise imports but in view of the general nature of the expansion in the current quarter the increases are likely to be widespread.

The deficit on non-merchandise trade rose to an annual rate of \$1,196 million, after discounting seasonal influences, from \$988 million in the fourth quarter. Receipts rose by 3½ per cent to an annual rate of \$2,128 million and payments by 9 per cent to \$3,324 million. Almost half the increase in the deficit arose on the travel account where spending by Canadians abroad, partially as a result of the early Easter, rose considerably faster than receipts from foreign tourists and other travellers. The other major factors in the widened deficit were significantly higher payments for miscellaneous services and the reduction in gold production available for export. Both payments and receipts on income account were higher, in line with the general increases in corporation profits experienced in both Canada and the U.S. in the first quarter. Receipts from freight and shipping services provided by Canada were higher in the quarter.

Income Flows

Labour Income

Seasonally-adjusted estimates of both total labour income and wages and salaries for the first quarter of 1964 were nearly 3 per cent higher than the corresponding figures for the fourth quarter of 1963. Labour input appears to have been more important than labour prices in raising the level of this component.

The pattern which emerged in the fourth quarter 1963 continued in the first quarter of this year with the goods-producing industries showing larger quarter-to-quarter increases in wages and salaries than the service-producing industries. Thus, wages and salaries in the goods-producing industries increased 4 per cent compared with an increase of 2 per cent in the service-producing industries.

In the goods-producing industries, construction with an advance of 8 per cent showed the highest quarter-to-quarter gain. The rise in manufacturing was 3 per cent. Primary industries showed an increase of 2½ per cent.

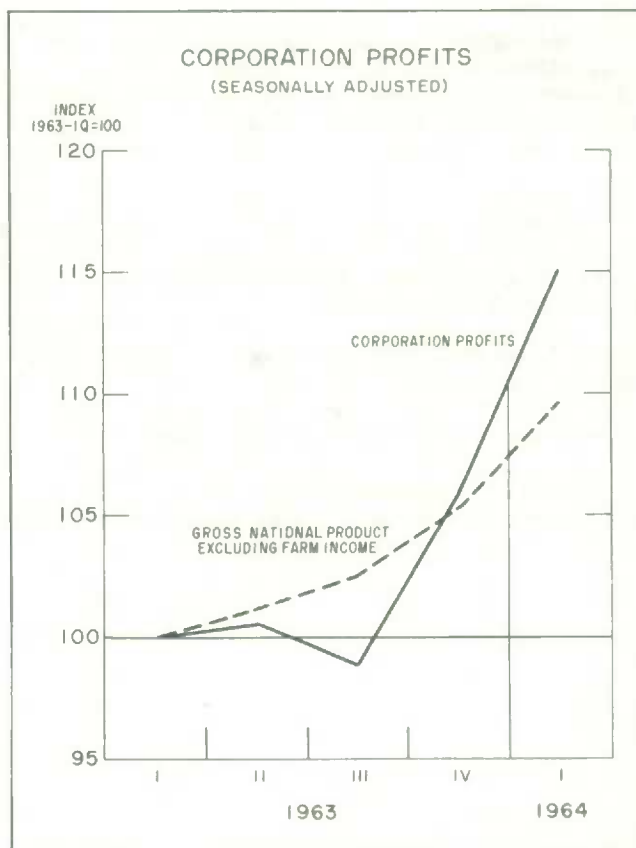
In the service-producing industries, only finance and service income rose significantly -- 3½ per cent, while income in government service was little changed. Modest increases occurred in the other groups.

Corporation Profits and Other Investment Income

Following a sharp pickup in the fourth quarter of 1963, corporation profits (before taxes and before dividends paid to non-residents) continued to rise significantly in the first quarter of 1964, increasing about 9 per cent. Profits reached a seasonally adjusted annual rate of \$4.5 billion.

Almost all major industry groups contributed to the increase. Manufacturing and wholesale trade showed the largest gains reflecting considerable strength in metal products (including transportation equipment) and building materials.

The following table shows percentage changes by industry.



Percentage Changes in Corporation Profits
(seasonally adjusted)

	4Q 1963 to 1Q 1964
Mines, Quarries and Oil Wells	4.5
Manufacturing Industries	11.4
Transportation	} 5.8
Storage	
Communication	
Electric Power, Gas and Water Utilities	12.5
Wholesale Trade	14.9
Retail Trade	-
Finance, Insurance and Real Estate	1.6
Service Industries	18.2
Other Non-Manufacturing	18.2
Total, All Industries	8.8

Rent, interest and miscellaneous investment income rose by about 7 per cent in the first quarter, after discounting for seasonal variation, mainly as a result of a rise in the trading profits of government owned corporations. Higher dividend receipts accounted for a 2 per cent rise in interest, dividend and net rental income.

Unincorporated Business

Net income of non-farm unincorporated business increased nearly 2 per cent, seasonally adjusted, in the first quarter of 1964. The highest increases, ranging from 6 to 8 per cent, were reported for construction, finance, wholesale trade and manufacturing, while decreases were recorded in net income from forestry and trapping.

Accrued net income of farm operators from farm production declined over 30 per cent, seasonally adjusted, in the first quarter of 1964. The preliminary estimate of the 1964 crop, which is based on acreage intentions, ten-year average yields and average prices, is 22 per cent smaller than the 1963 value of production.

Seasonally adjusted net income of farm operators from farming operations increased due to ^{large} payments made to farmers by the Canadian Wheat Board. Payments were the largest on record.

The Government Sector

Seasonally adjusted at annual rates, the deficit of all levels of government combined fell from \$476 million in the preceding period to \$240 million in the first quarter of 1964. The declining trend in the deficit since the second quarter of 1963 reflects the expansion in activity in the economy. Combined revenue at \$15,276 million in the first quarter of 1964 increased 6 per cent over the previous quarter while expenditure increased 4 per cent. With the exception of a minor decline in withholding taxes, all components of federal revenue showed increases in the period under review. At the provincial-municipal level, all components rose other than employer and employee contributions to social insurance and government pension funds, which were lower than in the fourth quarter of 1963. Outlays by the federal government were up 5½ per cent, while those of the provincial-municipal governments were up by 3 per cent. The federal surplus of \$76 million seasonally adjusted at annual rates in the first quarter was the first since the second quarter of 1960, when it amounted to \$48 million. The provincial-municipal deficit of \$316 million was considerably less than the \$436 million in the fourth quarter of 1963.

Personal direct taxes of \$3,188 million showed increases at all levels in the first quarter, seasonally adjusted at annual rates. Reflecting the sustained improvement in the employment position and rising incomes, total revenue from federal and provincial personal income taxes was 6 per cent higher than in the fourth quarter of the previous year. There was an increase from 17 per cent to 18 per cent, effective January 1, 1964, in the abatement of the income tax in favour of the provinces under the terms of the federal-provincial fiscal arrangements which tended to reduce federal revenue and this was counter-balanced to some degree by the increase from 3 per cent to 4 per cent (to a maximum of \$120 per taxpayer) in the levy on personal income on behalf of the Old Age Security Fund. (This latter amendment was to cover the additional cost expected from the higher monthly pensions commencing in October 1963). Federal income tax in the first quarter was at \$2,324 million -- seasonally adjusted at annual rates. Provincial-municipal direct taxes at \$776 million rose less than 2 per cent from the fourth quarter of 1963, reflecting an increase in income taxes which was partially offset by a decline in succession duties.

Total indirect taxes in the first quarter of 1964 at \$6,376 million were up by 5 per cent over the preceding quarter. Increases were mainly the result of higher revenues from excise taxes and customs import duties at the federal level and from gasoline taxes, sales taxes, motor vehicle licenses and real property taxes at the provincial-municipal level.

Expenditure of \$8,488 million on goods and services by all levels of government, seasonally adjusted at annual rates, was up 5½ per cent in the first quarter, with federal outlays showing about a 13 per cent advance and those of the provincial-municipal governments rising by less than 2 per cent.

There was a gain of 5 per cent over the fourth quarter of 1963 in the total of transfer payments to persons (excluding interest on the public debt). The main increases were at the provincial-municipal level where a rise of 7 per cent was largely the result of larger provincial grants to hospitals.

Production by Industry

Real Domestic Product at factor cost less agriculture (seasonally adjusted) increased just over 3 per cent in the first quarter. Non-agricultural output has thus risen over 8 per cent since the first quarter of 1963, and 21 per cent since the cyclical low point in the first quarter of 1961, 1/

1/ For a more detailed discussion, see the annual supplement to the March 1964 issue of DBS publication 61-005, Index of Industrial Production. For data for the first quarter 1964, see the April 1964 issue of the above publication.

with manufacturing accounting for over 35 per cent of the increase, followed by trade and transportation, storage and communication.

Gains in output were widespread in the first quarter of 1964, ranging from fractional increases in electric power and gas utilities to an almost 15 per cent gain in non-metallic mineral products. There were only a few declines, such as the 4 per cent drop in tobacco products and the $1\frac{1}{2}$ per cent decrease in leather products in manufacturing. In many instances the strong upward movements evident in the fourth quarter of 1963 were continued. Most notable was the 9 per cent increase in construction activity, which accounted for about one-fifth of the gain in non-agricultural production. In addition, the increase in the sales of building materials, possibly in anticipation of higher taxes on construction materials as of April, appeared to be another force behind the considerable gains in the output of many construction-oriented industries during this period.

Manufacturing, with a $3\frac{1}{2}$ per cent increase in output, continued to be the largest single contributor to the aggregate gain, accounting for over 30 per cent of the total advance. For the second quarter in succession, durable manufacturing showed a large gain (5 versus 6 per cent). Increases of between 3 and $5\frac{1}{2}$ per cent were recorded by all major groups except electrical apparatus and supplies (+ 1 per cent) and non-metallic mineral products (+ 15 per cent). The latter group advanced largely because of exceptional gains in the cement and concrete products industries. Motor vehicle production continued at high levels, rising $4\frac{1}{2}$ per cent in the first quarter. Non-durable manufacturing advanced by $2\frac{1}{2}$ per cent, thus accounting for about one third of the increase in manufacturing. Most of this strength came from the 5 per cent increase in the foods and beverages component.

Trade was the second largest contributor to the expansion in non-agricultural output during the first quarter, accounting for 20 per cent of the total gain, as did construction and durable manufacturing. More than half of the increase in trade came from the wholesale component which increased about 6 per cent. Retail trade again rose 3 per cent. At both retail and wholesale levels particularly sharp increases took place in sales of lumber, building and construction materials, and industrial and transportation equipment. Together they accounted for the major part of the total expansion in trade.

Transportation, storage and communication expanded less rapidly than during the fourth quarter, with railway transport, shipping and communication accounting for more than three-quarters of the $2\frac{1}{2}$ per cent increase in this group.

Mining showed a strong advance of almost 6 per cent in the first quarter following a $5\frac{1}{2}$ per cent increase in the fourth quarter of 1963. During most of 1962 and 1963 the increases had been minor. Most of the first quarter increase in mining came from the metal mining component which advanced $10\frac{1}{2}$ per cent.

Public administration and defence increased by half of one per cent, following a pause in the fourth quarter, while finance, insurance and real estate and the community, recreation, business and personal service group exhibited a slight slowdown in their rates of advance, compared with the fourth quarter.

TABLES UNADJUSTED FOR SEASONAL VARIATION

TABLE 1. National Income and Gross National Product, by Quarters, 1963 and 1964
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Wages, salaries, and supplementary labour income ...	5,058	5,359	5,567	5,566	21,550	5,482
2. Military pay and allowances	136	157	148	157	598	140
3. Corporation profits before taxes	788	1,068	998	1,066	3,920	917
4. Deduct: Dividends paid to non-residents(1)	- 145	- 118	- 121	- 209	- 593	- 172
5. Rent, interest, and miscellaneous investment income	709	736	762	818	3,025	798
6. Accrued net income of farm operators from farm production(2)	60	147	1,384	195	1,786	33
7. Net income of non-farm unincorporated business(3) ..	514	614	594	729	2,451	533
8. Inventory valuation adjustment(4)	- 28	- 75	- 44	- 37	- 184	- 43
9. NET NATIONAL INCOME AT FACTOR COST	7,092	7,888	9,288	8,285	32,553	7,688
10. Indirect taxes less subsidies	1,359	1,338	1,412	1,456	5,565	1,484
11. Capital consumption allowances and miscellaneous valuation adjustments	1,196	1,281	1,277	1,370	5,124	1,338
12. Residual error of estimate	- 157	- 155	59	18	- 235	- 112
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	9,490	10,352	12,036	11,129	43,007	10,398
14. (Gross national product at market prices excluding accrued net income of farm operators)	(9,430)	(10,205)	(10,652)	(10,934)	(41,221)	(10,365)

(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.

(3) Includes net income of independent professional practitioners.

(4) See footnote 4, Table 2.

TABLE 2. Gross National Expenditure, by Quarters, 1963 and 1964
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Personal expenditure on consumer goods and services	6,307	6,779	6,647	7,497	27,230	6,804
2. Government expenditure on goods and services(1, 2) .	1,843	1,921	2,257	2,055	8,076	1,984
3. Business gross fixed capital formation(3)	1,460	1,930	2,053	2,052	7,495	1,804
4. New residential construction	298	413	477	517	1,705	442
5. New non-residential construction	502	686	836	787	2,811	573
6. New machinery and equipment	660	831	740	748	2,979	789
7. Value of physical change in inventories(4)	- 51	- 247	1,122	- 365	459	26
8. Non-farm business inventories	188	- 161	9	130	166	323
9. Farm inventories and grain in commercial channels	- 239	- 86	1,113	- 495	293	- 297
10. Exports of goods and services	1,844	2,251	2,457	2,502	9,054	2,112
11. Deduct: Imports of goods and services	- 2,071	- 2,436	2,442	- 2,593	- 9,542	- 2,444
12. Residual error of estimate	158	154	- 58	- 19	235	112
13. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	9,490	10,352	12,036	11,129	43,007	10,398

(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 expenditure 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.

(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, 1963 and 1964
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Wages, salaries, and supplementary labour income	5,058	5,359	5,567	5,566	21,550	5,482
2. Deduct: Employer and employee contributions to social insurance and government pension funds	- 207	- 202	- 213	- 216	- 838	- 217
3. Military pay and allowances	136	157	148	157	598	140
4. Net income received by farm operators from farm production(1)	32	200	1,327	91	1,650	184
5. Net income of non-farm unincorporated business	514	614	594	729	2,451	533
6. Interest, dividends, and net rental income of persons(2)	831	880	853	923	3,487	897
Transfer payments to persons:						
7. From government (excluding interest)	1,092	936	875	926	3,829	1,145
8. Charitable contributions by corporations	11	11	11	11	44	11
9. PERSONAL INCOME	7,467	7,955	9,162	8,187	32,771	8,175

(1) This item differs from line 6, Table 1, by excluding the adjustment which has been made to take account of the accrued 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, 1963 and 1964
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Personal direct taxes	682	742	720	766	2,910	754
2. Income taxes	556	646	628	657	2,487	623
3. Succession duties and estate taxes	36	41	44	50	171	39
4. Miscellaneous	90	55	48	59	252	92
5. Personal expenditure on consumer goods and services ..	6,307	6,779	6,647	7,497	27,230	6,804
6. Non-durable goods	3,051	3,184	3,337	3,807	13,379	3,211
7. Durable goods	673	905	683	946	3,207	794
8. Services(1)	2,583	2,690	2,627	2,744	10,644	2,799
9. Personal net saving	478	434	1,795	- 76	2,631	617
10. Personal saving excluding change in farm inventories	697	484	764	373	2,318	894
11. Value of physical change in farm inventories	- 219	- 50	1,031	- 449	313	- 277
12. PERSONAL INCOME	7,467	7,955	9,162	8,187	32,771	8,175
13. (Personal disposable income)(2)	(6,785)	(7,213)	(8,442)	(7,421)	(29,861)	(7,421)

(1) Includes net expenditure abroad.

(2) Personal Income less Total Personal Direct Taxes.

TABLE 5. Government Revenue, by Quarters, 1963 and 1964
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Direct taxes - Persons	682	742	720	766	2,910	754
2. Federal	488	572	555	578	2,193	549
3. Provincial and municipal	194	170	165	188	717	205
4. Direct taxes - Corporations	388	484	454	484	1,810	431
5. Federal	290	361	339	363	1,353	322
6. (Federal tax collections)	(305)	(373)	(338)	(312)	(1,328)	(324)
7. Provincial	98	123	115	121	457	109
8. (Provincial tax collections)	(110)	(107)	(129)	(101)	(447)	(112)
Withholding taxes:						
9. Federal	31	30	24	43	128	30
10. Indirect taxes	1,416	1,428	1,495	1,539	5,878	1,552
11. Federal	551	592	621	686	2,450	616
12. Provincial and municipal	865	836	874	853	3,428	936
13. Investment income	295	337	330	371	1,333	356
14. Federal	92	138	133	134	497	126
15. Provincial and municipal	203	199	197	237	836	230
16. Employer and employee contributions to social insurance and government funds	207	202	213	216	838	217
17. Federal	134	126	136	137	533	140
18. Provincial and municipal	73	76	77	79	305	77
Transfers from Federal:						
19. Provincial and municipal	303	309	264	289	1,165	298
20. TOTAL REVENUE	3,322	3,532	3,500	3,708	14,062	3,638
21. FEDERAL	1,586	1,819	1,808	1,941	7,154	1,783
22. PROVINCIAL and MUNICIPAL	1,736	1,713	1,692	1,767	6,908	1,855

TABLE 6. Government Expenditure, by Quarters, 1963 and 1964
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Goods and services	1,843	1,921	2,257	2,055	8,076	1,984
2. Federal	735	713	771	708	2,927	804
3. (Defence)	(409)	(375)	(392)	(400)	(1,576)	(460)
4. Provincial and municipal	1,108	1,208	1,486	1,347	5,149	1,180
5. Transfer payments to persons (excluding interest on the public debt)	1,092	936	875	926	3,829	1,145
6. Federal	627	533	459	511	2,130	634
7. Provincial and municipal	465	403	416	415	1,699	511
8. Interest on the public debt	322	386	328	378	1,414	347
9. Federal	216	244	243	232	935	235
10. Provincial and municipal	106	142	85	146	479	112
11. Subsidies	57	90	83	83	313	68
12. Federal	51	86	64	74	275	60
13. Provincial	6	4	19	9	38	8
Transfers to other levels of government:						
14. Federal	303	309	264	289	1,165	298
15. Total expenditure	3,617	3,642	3,807	3,731	14,797	3,842
16. Federal	1,932	1,885	1,801	1,814	7,432	2,031
17. Provincial and municipal	1,685	1,757	2,006	1,917	7,365	1,811
18. Deficit (-) or surplus (+)	- 295	- 110	- 307	- 23	- 735	- 204
19. Federal	- 346	- 66	7	127	- 278	- 248
20. Provincial and municipal	51	- 44	- 314	- 150	- 457	44
21. TOTAL EXPENDITURE MINUS DEFICIT OR PLUS SURPLUS	3,322	3,532	3,500	3,708	14,062	3,638
22. FEDERAL	1,586	1,819	1,808	1,941	7,154	1,783
23. PROVINCIAL and MUNICIPAL	1,736	1,713	1,692	1,767	6,908	1,855

TABLE 7. Source of National Saving, by Quarters, 1963 and 1964
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Personal net saving	478	434	1,795	- 76	2,631	617
2. Business gross saving	1,342	1,558	1,629	1,695	6,224	1,352
3. Undistributed corporation profits	118	330	295	221	964	165
4. Capital consumption allowances and miscellaneous valuation adjustments	1,196	1,281	1,277	1,370	5,124	1,338
5. Adjustment on grain transactions(1)	28	- 53	57	104	136	- 151
6. Inventory valuation adjustment	- 28	- 75	- 44	- 37	- 184	- 43
7. Government surplus (+) or deficit (-)	- 295	- 110	- 307	- 23	- 735	- 204
8. Residual error of estimate	- 157	- 155	59	18	- 235	- 112
9. Totals	1,340	1,652	3,132	1,577	7,701	1,610

(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 8. Disposition of National Saving, by Quarters, 1963 and 1964
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Business gross fixed capital formation	1,460	1,930	2,053	2,052	7,495	1,804
2. New residential construction	298	413	477	517	1,705	442
3. New non-residential construction	502	686	836	787	2,811	573
4. New machinery and equipment	660	831	740	748	2,979	789
5. Value of physical change in inventories	- 51	- 247	1,122	- 365	459	26
6. Surplus (+) or deficit (-) on current account with non-residents	- 227	- 185	15	- 91	- 488	- 332
7. Residual error of estimate	158	154	- 58	- 19	235	112
8. Totals	1,340	1,652	3,132	1,577	7,701	1,610

TABLE 9. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1963 and 1964(1)
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Personal expenditure on consumer goods and services	5,834	6,254	6,064	6,864	25,016	6,206
2. Non-durable goods	2,883	2,994	3,090	3,532	12,499	2,981
3. Durable goods	665	893	676	933	3,167	791
4. Services	2,286	2,367	2,298	2,399	9,350	2,434
5. Government expenditure on goods and services	1,504	1,600	1,940	1,658	6,702	1,571
6. Business gross fixed capital formation	1,293	1,705	1,797	1,776	6,571	1,545
7. New residential construction	260	357	410	432	1,459	366
8. New non-residential construction	446	608	739	692	2,485	498
9. New machinery and equipment	587	740	648	652	2,627	681
10. Change in inventories	- 9	- 270	1,030	- 320	431	82
11. Non-farm business inventories	192	- 146	- 1	113	158	324
12. Farm inventories and grain in commercial channels	- 201	- 124	1,031	- 433	273	- 242
13. Exports of goods and services	1,718	2,091	2,285	2,320	8,414	1,956
14. Deduct: Imports of goods and services	- 1,862	- 2,165	- 2,146	- 2,301	- 8,474	- 2,148
15. Residual error of estimate	143	140	- 53	- 17	213	100
16. GROSS NATIONAL EXPENDITURE IN CONSTANT (1957) DOLLARS	8,621	9,355	10,917	9,980	38,873	9,312

(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.

TABLES ADJUSTED FOR SEASONAL VARIATION AND AT ANNUAL RATES

TABLE 10. National Income and Gross National Product, by Quarters, 1963 and 1964 Seasonally Adjusted at Annual Rates (millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Wages, salaries, and supplementary labour income	21,032	21,280	21,680	22,208	21,550	22,804
2. Military pay and allowances	556	608	600	628	598	576
3. Corporation profits before taxes	3,868	3,892	3,828	4,092	3,920	4,452
4. Deduct: Dividends paid to non-residents(1)	- 612	- 532	- 568	- 660	- 593	- 704
5. Rent, interest, and miscellaneous investment income	2,932	3,040	3,044	3,084	3,025	3,292
6. Accrued net income of farm operators from farm production(2)	1,788	1,724	1,712	1,920	1,786	1,320
7. Net income of non-farm unincorporated business(3)	2,448	2,416	2,448	2,492	2,451	2,540
8. Inventory valuation adjustment	- 112	- 300	- 176	- 148	- 184	- 172
9. NET NATIONAL INCOME AT FACTOR COST	31,900	32,128	32,568	33,616	32,553	34,108
10. Indirect taxes less subsidies	5,588	5,344	5,612	5,716	5,565	6,088
11. Capital consumption allowances and miscellaneous valuation adjustments	4,972	5,068	5,116	5,340	5,124	5,548
12. Residual error of estimate	- 360	- 20	- 220	- 340	- 235	- 232
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	42,100	42,520	43,076	44,332	43,007	45,512
14. (Gross national product at market prices excluding accrued net income of farm operators)	(40,312)	(40,796)	(41,364)	(42,412)	(41,221)	(44,192)

(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 11. Gross National Expenditure, by Quarters, 1963 and 1964 Seasonally Adjusted at Annual Rates (millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Personal expenditure on consumer goods and services ..	26,660	26,896	27,396	27,968	27,230	28,620
2. Government expenditure on goods and services(1, 2) ..	7,996	8,108	8,152	8,048	8,076	8,488
3. Business gross fixed capital formation(3)	7,128	7,436	7,500	7,916	7,495	8,796
4. New residential construction	1,584	1,676	1,680	1,880	1,705	2,340
5. New non-residential construction	2,668	2,864	2,812	2,900	2,811	3,024
6. New machinery and equipment	2,876	2,896	3,008	3,136	2,979	3,432
7. Value of physical change in inventories	464	340	580	452	459	260
8. Non-farm business inventories	76	- 60	264	384	166	556
9. Farm inventories and grain in commercial channels(4)	388	400	316	68	293	- 296
10. Exports of goods and services	8,552	8,980	9,032	9,652	9,054	9,904
11. Deduct: Imports of goods and services	- 9,064	- 9,256	- 9,804	- 10,044	- 9,542	- 10,792
12. Residual error of estimate	364	16	220	340	235	236
13. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	42,100	42,520	43,076	44,332	43,007	45,512

Detail of Farm Inventories and GICC:

Value of grain crop production	1,380	1,380	1,380	1,384	1,381	1,084
Depletions of farm stocks of grain	- 1,064	- 1,020	- 1,160	- 1,224	- 1,117	- 1,424
Change in livestock inventories	8	72	20	96	49	- 20
Grain in commercial channels	64	- 32	76	- 188	- 20	64

(1) See footnote 1, Table 2.

(2) For details of defence expenditures, see line 3, Table 15.

(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 12. Source of Personal Income, by Quarters, 1963 and 1964 Seasonally Adjusted at Annual Rates
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Wages, salaries, and supplementary labour income	21,032	21,280	21,680	22,208	21,550	22,804
2. Deduct: Employer and employee contributions to social insurance and government pension funds	- 820	- 840	- 844	- 848	- 838	- 860
3. Military pay and allowances	556	608	600	628	598	576
4. Net income received by farm operators from farm production(1)	1,544	1,892	1,508	1,656	1,650	1,780
5. Net income of non-farm unincorporated business	2,448	2,416	2,448	2,492	2,451	2,540
6. Interest, dividends, and net rental income of persons(2)	3,396	3,476	3,488	3,588	3,487	3,668
Transfer payments to persons:						
7. From government (excluding interest)	3,860	3,784	3,764	3,908	3,829	4,092
8. Charitable contributions by corporations	44	44	44	44	44	44
9. PERSONAL INCOME	32,060	32,660	32,688	33,676	32,771	34,644

(1) This item differs from line 6, Table 10 by excluding the adjustment which has been made to take account of the accrued net 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, 1963 and 1964 Seasonally Adjusted at Annual Rates
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Personal direct taxes	2,892	2,748	2,924	3,076	2,910	3,188
2. Income taxes	2,496	2,336	2,500	2,616	2,487	2,768
3. Succession duties and estate taxes	144	164	176	200	171	156
4. Miscellaneous	252	248	248	260	252	264
5. Personal expenditure on consumer goods and services	26,660	26,896	27,396	27,968	27,230	28,620
6. Non-durable goods	13,216	13,192	13,496	13,612	13,379	13,848
7. Durable goods	3,072	3,164	3,184	3,408	3,207	3,532
8. Services(1)	10,372	10,540	10,716	10,948	10,644	11,240
9. Personal net saving	2,508	3,016	2,368	2,632	2,631	2,836
10. PERSONAL INCOME	32,060	32,660	32,688	33,676	32,771	34,644
11. (Personal disposable income)(2)	(29,168)	(29,912)	(29,764)	(30,600)	(29,861)	(31,456)

(1) Includes net expenditure abroad.

(2) Personal Income less Total Personal Direct Taxes.

TABLE 14. Government Revenue, by Quarters, 1963 and 1964 Seasonally Adjusted at Annual Rates
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Direct taxes - Persons	2,892	2,748	2,924	3,076	2,910	3,188
2. Federal	2,192	2,056	2,212	2,312	2,193	2,412
3. Provincial and municipal	700	692	712	764	717	776
4. Direct taxes - Corporations	1,820	1,796	1,756	1,868	1,810	2,012
5. Federal	1,364	1,348	1,316	1,384	1,353	1,516
6. (Federal tax collections)	(1,312)	(1,316)	(1,324)	(1,360)	(1,328)	(1,380)
7. Provincial	456	448	440	484	457	496
8. (Provincial tax collections)	(408)	(416)	(516)	(448)	(447)	(420)
Withholding taxes:						
9. Federal	124	120	132	136	128	120
10. Indirect taxes	5,832	5,716	5,908	6,056	5,878	6,376
11. Federal	2,420	2,328	2,464	2,588	2,450	2,688
12. Provincial and municipal(1)	3,412	3,388	3,444	3,468	3,428	3,688
13. Investment income	1,308	1,384	1,356	1,284	1,333	1,552
14. Federal	484	536	548	420	497	616
15. Provincial and municipal	824	848	808	864	836	936
16. Employer and employee contributions to social insurance and government pension funds	820	840	844	848	838	860
17. Federal	528	536	536	532	533	552
18. Provincial and municipal	292	304	308	316	305	308
Transfers from federal:						
19. Provincial and municipal	1,192	1,224	1,092	1,152	1,165	1,168
20. TOTAL REVENUE	13,988	13,828	14,012	14,420	14,062	15,276
21. FEDERAL	7,112	6,924	7,208	7,372	7,154	7,904
22. PROVINCIAL and MUNICIPAL	6,876	6,904	6,804	7,048	6,908	7,372

(1) 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 15. Government Expenditure, by Quarters, 1963 and 1964 Seasonally Adjusted at Annual Rates
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Goods and services	7,996	8,108	8,152	8,048	8,076	8,488
2. Federal	3,000	2,936	2,940	2,832	2,927	3,188
3. (Defence)	(1,532)	(1,604)	(1,612)	(1,556)	(1,576)	(1,664)
4. Provincial and municipal	4,996	5,172	5,212	5,216	5,149	5,300
5. Transfer payments to persons (excluding interest on the public debt)	3,860	3,784	3,764	3,908	3,829	4,092
6. Federal	2,184	2,092	2,064	2,180	2,130	2,248
7. Provincial and municipal	1,676	1,692	1,700	1,728	1,699	1,844
8. Interest on the public debt	1,380	1,412	1,416	1,448	1,414	1,480
9. Federal	900	940	952	948	935	980
10. Provincial and municipal	480	472	464	500	479	500
11. Subsidies	244	372	296	340	313	288
12. Federal	208	336	256	300	275	244
13. Provincial	36	36	40	40	38	44
Transfers to other levels of government:						
14. Federal	1,192	1,224	1,092	1,152	1,165	1,168
15. Total expenditure	14,672	14,900	14,720	14,896	14,797	15,516
16. Federal	7,484	7,528	7,304	7,412	7,432	7,828
17. Provincial and municipal	7,188	7,372	7,416	7,484	7,365	7,688
18. Deficit (-) or surplus (+)	- 684	- 1,072	- 708	- 476	- 735	- 240
19. Federal	- 372	- 604	- 96	- 40	- 278	76
20. Provincial and municipal	- 312	- 468	- 612	- 436	- 457	- 316
21. TOTAL EXPENDITURE MINUS DEFICIT OR PLUS SURPLUS	13,988	13,828	14,012	14,420	14,062	15,276
22. FEDERAL	7,112	6,924	7,208	7,372	7,154	7,904
23. PROVINCIAL and MUNICIPAL	6,876	6,904	6,804	7,048	6,908	7,372

TABLE 16. Source of National Saving, by Quarters, 1963 and 1964 Seasonally Adjusted at Annual Rates
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Personal net saving	2,508	3,016	2,368	2,632	2,631	2,836
2. Business gross saving	6,092	5,892	6,264	6,648	6,224	6,212
3. Undistributed corporation profits	876	992	944	1,044	964	1,124
4. Capital consumption allowances and miscellaneous valuation adjustments	4,972	5,068	5,116	5,340	5,124	5,548
5. Adjustment on grain transactions(1)	244	- 168	204	264	136	- 460
6. Inventory valuation adjustment	- 112	- 300	- 176	- 148	- 184	- 172
7. Government surplus (+) or deficit (-)	- 684	- 1,072	- 708	- 476	- 735	- 240
8. Residual error of estimate	- 360	- 20	- 220	- 340	- 235	- 232
9. Totals	7,444	7,516	7,528	8,316	7,701	8,404

(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, 1963 and 1964 Seasonally Adjusted at Annual Rates
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Business gross fixed capital formation	7,128	7,436	7,500	7,916	7,495	8,796
2. New residential construction	1,584	1,676	1,680	1,880	1,705	2,340
3. New non-residential construction	2,668	2,864	2,812	2,900	2,811	3,024
4. New machinery and equipment	2,876	2,896	3,008	3,136	2,979	3,432
5. Value of physical change in inventories	464	340	580	452	459	260
6. Surplus (+) or deficit (-) on current account with non-residents	- 512	- 276	- 772	- 392	- 488	- 888
7. Residual error of estimate	364	16	220	340	235	236
8. Totals	7,444	7,516	7,528	8,316	7,701	8,404

TABLE 18. Gross National Expenditure in Constant (1957) Dollars, by Quarters, 1962 and 1964(1)
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1963					1964
	I	II	III	IV	Year	I
1. Personal expenditure on consumer goods and services	24,636	24,792	25,084	25,552	25,016	26,096
2. Non-durable goods	12,440	12,388	12,552	12,616	12,499	12,800
3. Durable goods	3,036	3,128	3,136	3,368	3,167	3,504
4. Services	9,160	9,276	9,396	9,568	9,350	9,792
5. Government expenditure on goods and services	6,736	6,784	6,728	6,560	6,702	6,916
6. Business gross fixed capital formation	6,316	6,564	6,564	6,840	6,571	7,540
7. New residential construction	1,380	1,448	1,444	1,564	1,459	1,936
8. New non-residential construction	2,380	2,540	2,484	2,536	2,485	2,640
9. New machinery and equipment	2,556	2,576	2,636	2,740	2,627	2,964
10. Change in inventories	420	312	576	416	431	240
11. Non-farm business inventories	72	- 52	264	348	158	532
12. Farm inventories and grain in commercial channels	348	364	312	68	273	- 292
13. Exports of goods and services	7,940	8,384	8,388	8,944	8,414	9,136
14. Deduct: Imports of goods and services	- 8,136	- 8,284	- 8,640	- 8,836	- 8,474	- 9,468
15. Residual error of estimate	332	16	200	304	213	212
16. GROSS NATIONAL EXPENDITURE IN CONSTANT (1957) DOLLARS	38,244	38,568	38,900	39,780	38,873	40,672

(1) See footnote 1, Table 9.

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