

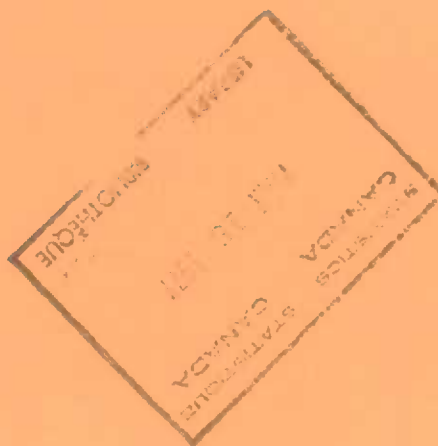
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SYSTEM OF NATIONAL ACCOUNTS

National income and expenditure accounts

THIRD QUARTER 1971





STATISTICS CANADA
National Income and Expenditure Division

SYSTEM OF NATIONAL ACCOUNTS

NATIONAL INCOME AND
EXPENDITURE ACCOUNTS

THIRD QUARTER 1971

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THE SYSTEM OF NATIONAL ACCOUNTS

In Canada, the National Accounts have been developed since the close of the Second World War in a series of publications relating to their constituent parts. These have now reached a stage of evolution where they can be termed a "System of National Accounts". For purposes of identification, all publications (containing tables of statistics, descriptions of conceptual frameworks, and descriptions of sources and methods) which make up this System will now carry the term "System of National Accounts" as a general title.

The System of National Accounts in Canada consists of several parts. The annual and quarterly Income and Expenditure Accounts (included with Catalogue Nos. carrying the prefix 13) were, historically speaking, the first set of statistics to be referred to with the title "National Accounts" (National Accounts, Income and Expenditure). The Balance of International Payments data, (Catalogue Nos. with prefix 67), in their more summary form, are also part of the System of National Accounts and they, in fact, pre-date the Income and Expenditure Accounts.

Greatly expanded structural detail on industries and on goods and services is portrayed in the Input-Output Tables of the System (Catalogue Nos. with prefix 15). The Indexes of Real Domestic Product by Industry (included with Catalogue Nos. carrying the prefix 61) provide "constant dollar" measures of the contribution of each industry to gross domestic product at factor cost. Inputs and outputs are related in Productivity Studies (Catalogue Nos. with prefix 14).

Both the Input-Output Tables and Indexes of Real Domestic Product by Industry use the establishment as the primary unit of industrial production. Measures of financial transactions are provided by the Financial Flow Accounts (Catalogue Nos. with prefix 13). Types of lenders and financial instruments are the primary detail in these statistics, and the legal entity is the main unit of classification of transactors. Also, provision is made in the System for incorporation of balance sheet (wealth) estimates when such data are sufficiently developed.

The System of National Accounts provides an overall conceptually integrated framework in which the various parts can be considered as interrelated sub-systems. At present, direct comparisons amongst those parts which use the establishment as the basic unit and those which use the legal entity can be carried out only at highly aggregated levels of data. However, Statistics Canada - Statistique Canada is continuing research on enterprise-company-establishment relationships; it may eventually be feasible to reclassify the data which are on one basis (say the establishment basis) to correspond to the units employed to another (the company or the enterprise basis).

In its broad outline, the Canadian System of National Accounts bears a close relationship to the international standard as described in the United Nations publication, "A System of National Accounts" (Studies in Methods, Series F., No. 2, Rev. 3, Statistical Office, Department of Economic and Social Affairs, United Nations, New York, 1968).

TECHNICAL NOTE

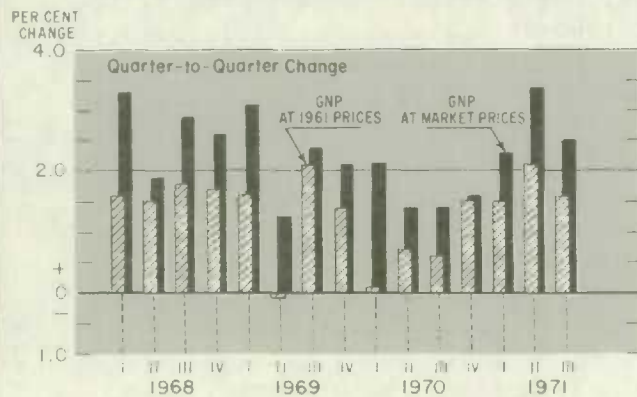
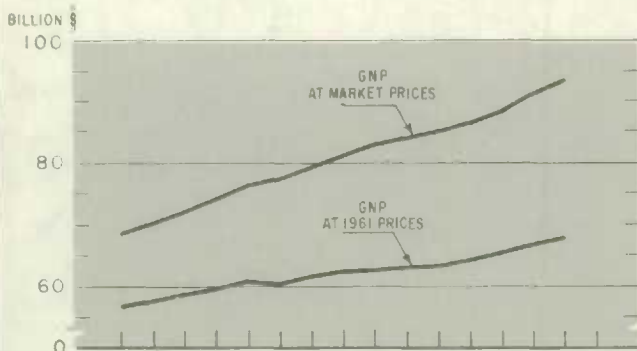
The Business Finance Division of the bureau has released a new publication "Industrial Corporations - Financial Statistics". This publication contains quarterly financial data by industry (excluding Finance) for the period 1962 to 1969.

Because of certain conceptual differences and because the National Income and Expenditure Accounts annual figure for corporate profits is basically derived from financial statistics emanating from the administration of the Corporations and Labour Unions Returns Act, a reconciliation between the two series cannot readily be carried out at the present time.

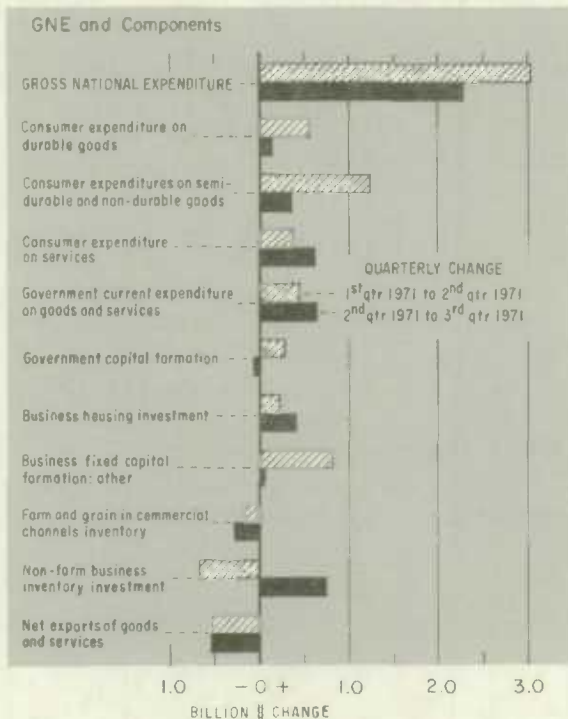
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GNP in current dollars rose 2.5 per cent, real GNP rose 1.6 per cent

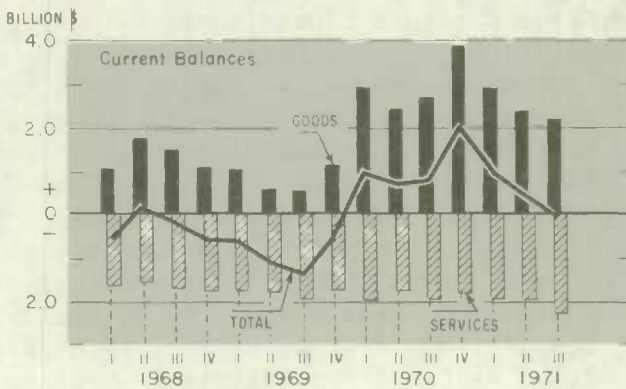
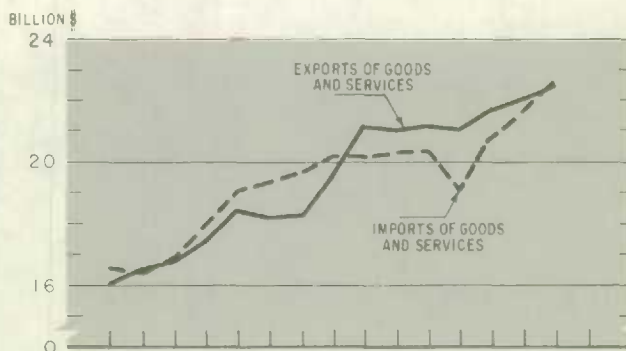


.... however, higher consumer expenditures, government current expenditures on goods and services, business investment in housing, and a large swing in non-farm business inventory

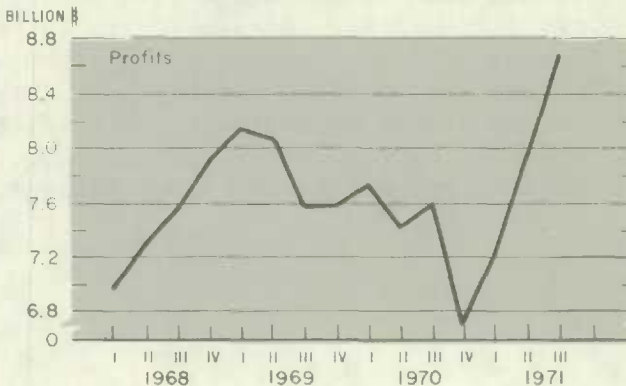
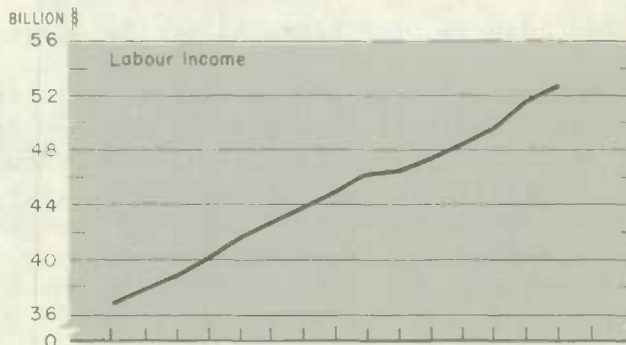


ALL DATA SEASONALLY ADJUSTED AT ANNUAL RATES.

.... with no positive contribution from transactions with non-residents, ...



.... together with continued strength in labour income and profits helped to keep the second quarter momentum.



INTRODUCTORY REVIEW - THIRD QUARTER 1971

Preliminary results of the National Income and Expenditure Accounts for the third quarter of 1971 indicate a continuation of the pattern of substantial gains in production evident since the fourth quarter of 1970. A feature of the third quarter was a sharp pick-up in the industrial sector, particularly noticeable in the indicators of production. The very sizable increase in the number of jobs created in the third quarter was not reflected in a significant decline in the unemployment rate because of an unusually rapid growth in the labour force. Aggregate measures of price movements rose at about the same rate as in the second quarter, although there were some sharp rises, especially in the prices of certain construction materials.

Gross National Product, seasonally adjusted at annual rates, rose by \$2.3 billion to reach a level of \$93.7 billion. This gain was somewhat larger than that realized in the first quarter of \$2.0 billion, but considerably smaller than the \$3.0 billion increase in the very strong second quarter. (It may be noted that revisions of a number of series, in particular labour income, fixed capital formation and value of physical change in both farm and non-farm inventories(1), had the net effect of raising the first and second quarter GNP estimates by \$304 million and \$380 million respectively.) In percentage terms, GNP rose by 2.5 per cent in the third quarter, after rising by 3.4 per cent in the second quarter and by 2.3 per cent in the first quarter. After removing that part of the increase in the value of goods and services that reflected higher prices rather than volume increases, GNP rose by 1.6 per cent in the third quarter. This was the fourth consecutive quarter showing sizable gain in real output.

By the end of the third quarter, the Canadian economy had been expanding at a sizable rate for about a year. GNP was 10.2 per cent larger in the third quarter 1971 than in the third quarter of 1970. The real growth during the same period amounted to 6.9 per cent. A nine months comparison also shows an acceleration in economic growth. In the first nine months of 1971, GNP was 8.7 per cent larger in value and 5.3 per cent larger in volume than in the comparable period in 1970. This compares with GNP increases for 1970 over 1969 of 7.5 per cent in value, and of 3.3 per cent in volume. The assumption that there would occur no further output gain this year would yield a real growth of 5.6 per cent; if output grew by 1.0 per cent in the fourth quarter, the increase for the year as a whole would be 5.9 per cent. For the year as a whole, it also appears likely that the rate of increase of the implicit price index for GNP will show a deceleration from the rates of increase of 4.1 per cent for 1970 and of 4.7 per cent for 1969.

Consumer and Government Demand for Goods and Services

Personal expenditure on consumer goods and services provided a major stimulus to demand, though to a smaller extent than in the previous quarter. After surging forward by \$2,144 million in the second quarter (4.2 per cent), consumer spending rose by an additional \$1,068 million (2.0 per cent) in the third quarter, reaching a level of \$54,168 million. Not unexpectedly, in view of the very large 5.7 per cent rise in expenditure on goods in the second quarter, the third quarter rise in consumer spending was much more pronounced in services, up 3.1 per cent, than in goods, up 1.4 per cent. With-in goods, spending on durable items continued to pace the advance. Expenditure on furniture and house furnishings rose particularly sharply in the third quarter, by 6.5 per cent, no doubt largely reflecting the very high level of housing completions in that quarter. Spending on new automobiles rose by 2.5 per cent; in each of the two previous quarters this component had risen by around 15 per cent, providing the bulk of the increased outlays on durable goods. (These spectacular gains partly reflected the satisfaction of a backlog of demand due to the prolonged strike of a major producer in the fourth quarter.) Expenditure on household appliances also rose, and that on most other durable goods generally showed some modest additional gains over their high second quarter level. Outlays on semi-durable goods were unchanged, a 5.4 per cent increase in semi-durable household furnishings (items such as china and kitchen utensils) being offset by declines in articles of clothing. In the non-durable goods category, which showed a rise in outlays of 1.6 per cent, the major increases were shown by fuel and electricity, up 2.3 per cent, and by food, up 1.5 per cent after a rise of 2.9 per cent in the previous quarter.

The acceleration in the rate of spending on services (the third quarter rise of 3.1 per cent compares with increases generally below 2.0 per cent in recent previous quarters) was largely due to a sizable increase in Canadian tourists' expenditure abroad. On a domestic basis, that is excluding the expenditures made by Canadian residents abroad but including the expenditures of foreign residents in Canada, the rise in service outlays was 2.3 per cent. Among other service components, notable gains occurred in spending on restaurant meals, on lodging in hotels and motels, on legal and financial services and on shelter.

(1) In the farm sector, the 1971 value of the new crop is now estimated to be \$1,356 million, based on the November estimate of production. This compares with a figure of \$1,108 million estimated at the time of the second quarter and based upon preliminary estimates of crop acreage.

Government current expenditure on goods and services rose at an accelerated pace in the third quarter. The rise of \$624 million represented a percentage increase of 3.5 per cent compared with a 2.7 per cent increase in the second quarter. All of the increased spending occurred at the provincial and local levels of government, which were up by 12.2 per cent and 5.8 per cent respectively, as federal government spending, which had risen sharply in the first half of the year, declined by 6.7 per cent in the quarter. In contrast to current expenditure on goods and services, government outlays on fixed capital formation showed practically no change in the third quarter. By level of government, fixed capital outlays declined at the federal and provincial levels but rose at the municipal level.

Capital Formation

Business residential construction rose by 9.6 per cent. This sector has been strongly and continually expanding since the third quarter of 1970. The third quarter rise of \$404 million brings the level of this investment to \$4,632 million, more than 40 per cent above its trough in the second quarter of 1970. Because of sharp increases in the prices of certain construction materials, especially lumber, in the third quarter, probably reflecting mounting demand pressures, the gain in volume of 6.3 per cent, though considerable, was substantially less than the gain in value. In the second and third quarters, the emphasis was on the construction of single units, which showed rises of over 15 per cent in each quarter. This was a reversal of the previous tendency towards proportionately much larger outlays on multiple than on single units. The high levels of starts in the months up to October, the sustained demand for mortgage funds, and the federal government commitment of more funds for housing announced in the October mini-budget, make it appear likely that the level of outlays will be approximately maintained in the fourth quarter. As a consequence, the rise in expenditure on residential construction will probably rise by over 20 per cent in 1971.

In contrast to the sustained growth displayed by housing outlays, business spending on plant and equipment did not grow significantly in the third quarter. Very preliminary estimates indicate an increase of 0.4 per cent, entirely due to a modest increase of 1.2 per cent in spending on machinery and equipment as spending on non-residential construction declined slightly. However, it must be noted that growth of these business outlays had apparently been extremely large in the second quarter. (In volume terms investment in machinery and equipment in the third quarter remained flat and that on non-residential construction fell by 2.3 per cent.) Within non-residential construction, building construction registered an increase, but this was more than offset by a decline in engineering construction (other than highways and railways), which had risen particularly sharply in the second quarter. In machinery and equipment, the increase in investment reflected mostly increased imports of non-farm machinery.

A notable development in the third quarter was the build-up in non-farm business inventories which amounted to \$228 million (seasonally adjusted at annual rates). In the light of more complete information, the second quarter figure, which originally showed practically no change in the value of physical stocks, has now been revised to show a \$540 million depletion, partly in industrial machinery, which showed large increases in sales in the second quarter. The resultant swing of \$768 million from a depletion to an accumulation was a major contributing factor to the third quarter expansion. The build-up occurred entirely at the retail trade level, as stocks in manufacturing and in wholesale continued to decline. The accumulation in retail trade, which was reflected in sharp increases in shipments in the quarter while sales rises were moderate, was widespread, but most notable in durable goods, where it was almost entirely due to increases in the stocks of motor vehicle dealers. Stocks in manufacturing had declined by successively larger amounts in the first three quarters of 1971. However, whereas previous declines appeared largely due to sluggish production failing to keep up with rising demand, the decline in the third quarter occurred despite substantial rises in manufacturing production, yet insufficient to meet the very large increase in shipments. New orders rose even faster than shipments and as a result the quarter ended with a greater backlog of unfilled orders than in the second quarter. The stock-to-shipments ratio fell sharply from 1.98 in the second quarter to an historically very low level of 1.91.

Transactions with Non-Residents

As in the first two quarters of the year, the net effect of current transactions in the external sector was again a source of weakness. The third quarter decline in the balance of trade in goods and services of \$524 million, on a national accounts basis, which was of the same magnitude as in the second quarter, caused a swing from an overall surplus of \$464 million to a small deficit of \$60 million. This was the first deficit since the fourth quarter of 1969. Although exports continued to rise quite sharply, imports, especially of non-merchandise items, rose faster, leading to declines in both the merchandise and the non-merchandise balances. On the basis of preliminary information, it is not possible to ascertain whether the new economic measures announced in mid-August by the United States government had an impact on the volume and composition of Canadian exports to the United States in the third quarter.

In the merchandise account, the surplus fell by \$212 million to \$2,208 million as a gain of \$328 million in exports was more than offset by a rise of \$540 million in imports. (The decline in the balance was centered on trade with the United States; exports to that country fell while imports rose sharply.) In percentage terms, merchandise exports rose by 1.8 per cent, after rises of 2.1 per cent in the second quarter and of 4.1 per cent in the first quarter. Wheat, wheat flour, lumber and other building materials and automotive products (except automobiles) registered the best gains. The bulk of the export gain was directed to the United Kingdom, Japan and Latin America, as exports to the United States fell slightly and exports to the European Economic Community fell sizably. Merchandise imports rose by 3.5 per cent. Although large increases were recorded in imports from all major trading partners, in particular from the United Kingdom, up 10.8 per cent, imports from the United States, up 5.3 per cent, contributed over three-fourths of the total increase. The increase in imports was widespread. In the non-merchandise account the deficit widened in the third quarter by \$312 million to \$2,268 million. Service exports rose by 2.9 per cent while service imports rose by a sharp 7.0 per cent, partly due to a rise in payments in the tourist and travel account.

The profile of merchandise trade so far this year is one of substantial expansion, but with a faster growth of imports than in exports. In the first nine months of 1971 merchandise exports were 4.9 per cent greater than in the first nine months of 1970. Most of the strength in exports was from the sale of barley and wheat, and petroleum and natural gas, lumber and other wood building materials and automotive products, and coal and other crude bituminous substances. However, many declines were registered, in particular, in pulpwood and other crude wood materials, in all metallic ores except zinc and nickel, in most non-metallic minerals, in metal fabricated materials (except in iron and steel) and in newsprint. This was a reversal of the pattern of exports in 1970, when most of these commodities had recorded large increases. In merchandise imports, on the other hand, the increase of 7.4 per cent was very broadly based, the only major grouping to show a decline being food, feed, beverages and tobacco, down by 0.5 per cent. By country, the increase in exports to the United States was mainly responsible for the total increase, as exports to the United Kingdom and most of the other countries dropped, while increases in imports were recorded from all major trading partners.

Merchandise Trade - January to September
Trade of Canada Basis 1/

Commodity	Imports				Exports			
	Per Cent of Total in:		Change \$ million		Per Cent of Total in:		Change \$ million	
	1970	1971	1969-1970	1970-1971	1970	1971	1969-1970	1970-1971
Live animals .....	.1	.3	1	19	.4	.4	14	-
Meat and fish products	1.3	1.0	28	-20	2.2	2.1	36	2
Wheat and cereals .....	.6	.5	-1	-12	5.3	5.9	210	121
Tobacco and beverages .....	.5	.5	2	5	1.3	1.3	-18	11
Raw hides and skins and other crude animal products	.3	.3	-7	3	.4	.3	-6	-4
Seeds and other crude vegetable products .....	.9	.7	18	-9	1.0	1.5	36	67
Metals, ores, concentrates, and scrap	1.7	1.6	30	1	9.0	7.8	288	-112
Coal, crude petroleum and other bituminous products .	4.0	4.5	32	81	5.3	6.2	137	152
Lumber and wood products ...	.6	.7	-20	11	4.8	5.5	-60	115
Pulp, newsprint and other paper and allied products .	.6	.7	3	8	12.2	11.6	61	-5
Chemicals and allied products	6.4	6.1	28	12	3.7	4.0	82	56
Primary metals and alloys, rolling mill products	6.8	7.0	8	74	13.0	10.1	412	-310
Motor vehicles and motor vehicle parts	24.0	25.8	-26	372	21.6	23.6	189	385
Aircraft and aircraft parts	3.2	2.1	24	-104	2.4	2.2	4	-22
Telecommunication and related products	2.6	2.6	-7	23	1.4	1.4	21	-5
Other	46.4	45.6	101	248	16.0	16.1	234	115
TOTAL	100.0	100.0	214	712	100.0	100.0	1,640	566

1/ D.B.S. Cat. No. 65-002 and 65-005.

Incomes

The most notable features on the income side were the continued rapid growth in corporation profits before taxes and the sizable upward revisions of labour income for the first half of the year. Corporation profits (on a national accounts basis), which had risen by 7.6 per cent in the first quarter and by 10.1 per cent in the second quarter, recorded a third important gain of 9.3 per cent in the third quarter. The third quarter level of corporation profits of \$8,684 million was 14 per cent above that of the third quarter of 1970, and 6.4 per cent above the previous record level of \$8,160 million in the first quarter of 1969. Undistributed corporation profits have been rising during 1971 at an even faster rate than profits; they rose by 13.7 per cent in the first quarter, by 16.6 per cent in the second quarter, and by 21.7 per cent in the third quarter.

Revisions have raised the level of labour income by \$204 million in the first quarter and by \$636 million in the second quarter. (By industry groups, the second quarter upward revisions were very widespread.) As a result, the rates of increase of labour income have been raised in both the first and the second quarters, but especially in the latter which now appears to have risen by an exceptionally strong 4.0 per cent instead of 3.2 per cent as first published, and which already contained the effect of unusually large retroactive payments by governments. The rise in the third quarter was of 2.1 per cent, with the principal gains being shown by retail trade, up 3.2 per cent, and by the manufacturing industries, up 1.9 per cent. After a 5.8 per cent increase in the second quarter, wages and salaries in the construction industry declined slightly, partly reflecting labour disputes in the third quarter.

Personal income and personal disposable income showed lower rates of increase in the third quarter than in the first two quarters of the year. This was especially true of personal disposable income, which slowed to a growth of 1.4 per cent after making impressive gains of 4.1 per cent in the second quarter and of 3.0 per cent in the first quarter. In addition to the dampening impact of the slowdown in wages and salaries, after the unusually strong second quarter gain, personal disposable income was also affected by irregularly large personal income taxes in the third quarter. Personal saving apparently fell in the third quarter, as did the saving ratio (personal saving as a proportion of personal disposable income), from 8.6 per cent to 8.0 per cent. However, saving data, being derived residually, is sometimes very unreliable, especially when calculated on the basis of preliminary information. Thus, upward revisions to some income series in the second quarter, particularly of wages and salaries, coupled with downward revisions in income taxes, had the effect of raising the saving estimate for that quarter by almost \$1.5 billion. The saving ratio for the second quarter appears to have remained at approximately the same level as in the first quarter, instead of dropping sharply as first observed.

Price Movements

The implicit price index for GNP rose by 0.9 per cent in the third quarter compared with a 1.3 per cent increase in the second quarter. However, the movement of the index was affected by the irregularly high retroactive payments in wages and salaries by governments in the second quarter, because such payments are entirely reflected in the price component and leave real expenditure unchanged. If the effect of these payments were removed from the implicit price index, the rate of increase in the second and third quarters would be approximately the same, at around 1.0 per cent.

The implicit price of personal expenditure rose at a lesser rate than in the second quarter, because of a marked slowdown in the rate of increase shown by the implicit price index for non-durable goods, from 2.2 per cent in the second quarter to 0.7 per cent in the third quarter. This deceleration in the non-durable goods implicit price index was mainly due to the food component, which showed a lower rate of increase following a significant rise in the second quarter. Lower increases were also recorded in the prices of fuel, gas and oil, and reading material. There was, however, an acceleration in the rate of price increase of alcoholic beverages, and of gas and electricity. In semi-durables, the major price increase was shown by clothing and footwear. In the durable goods category, the implicit price index of which rose by a moderate 0.3 per cent, there was a notable deceleration in the rate of increase of the new and used passenger car component, from a 1.4 per cent rise in the second quarter down to a 0.6 per cent rise. The implicit price index for services rose by 1.0 per cent, approximately the same rate as in the previous four quarters.

The acceleration in the rate of increase of the implicit price index for gross fixed capital formation was due to the materials cost component of the residential construction price index, which rose abruptly reflecting demand pressure, especially on lumber, the price of which rose by 6 per cent, and other wood building materials. The impact of the rise in materials prices more than offset a lessening in the rate of increase of the wage rate component, resulting in the sharp climb of the residential implicit price index, from a rise of 0.8 per cent in the previous quarter, to one of 3.0 per cent in the third quarter. By contrast, the price index for non-residential construction rose at

Gross National Expenditure and Components - Seasonally Adjusted
 Percentage Change From the Previous Quarter

	Current Dollars								Constant (1961) Dollars								Implicit Price Indexes ^{1/}							
	1970				1971				1970				1971				1970				1971			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Personal expenditure on consumer goods and services	-0.4	1.2	1.5	1.6	1.7	4.2	2.0		-1.9	0.8	1.3	1.6	1.3	3.0	1.2		1.6	0.4	0.2	-0.1	0.5	1.2	0.9	
Durable goods	-12.3	4.5	0.9	1.1	4.3	9.2	1.8		-14.2	4.5	0.9	1.1	3.4	8.9	1.5		2.2	-	-	-	0.9	0.4	0.3	
Semi-durable goods	0.7	0.6	-3.3	5.1	1.5	5.0	0.1		0.3	0.2	-3.5	5.0	2.2	4.2	-0.9		0.4	0.4	0.3	0.1	-0.6	0.8	1.0	
Non-durable goods	2.1	-0.1	2.2	1.2	1.1	4.9	1.6		0.9	-0.5	2.7	2.2	0.8	2.6	0.9		1.2	0.4	-0.5	-1.0	0.2	2.2	0.7	
Services	0.7	1.7	2.3	1.2	1.7	1.7	3.1		-0.6	1.1	1.3	0.2	0.7	0.7	2.1		1.4	0.6	1.0	1.0	1.1	1.0	1.0	
Government current expenditure on goods and services	5.2	4.6	1.7	3.4	4.0	2.7	3.5		6.8	1.5	-0.2	2.4	2.3	0.2	4.0		-1.6	3.0	1.9	0.9	1.6	2.5	-0.4	
Government gross fixed capital formation	1.8	1.0	2.2	2.4	1.3	7.6	-0.1		0.7	1.5	1.5	1.7	-0.5	6.1	-1.0		1.2	-0.5	0.8	0.7	1.8	1.5	0.9	
Business gross fixed capital formation	-1.2	-1.5	4.9	2.9	0.5	6.8	2.8		-2.1	-1.9	4.5	1.5	-0.2	5.4	0.8		1.0	0.4	0.4	1.4	0.7	1.4	2.0	
Residential construction	-3.6	-9.4	3.9	12.7	4.2	5.7	9.6		-4.8	-10.5	2.7	10.8	3.3	4.9	6.3		1.2	1.2	1.2	1.7	0.8	0.8	3.0	
Non-residential construction	2.6	0.6	3.6	3.6	-2.0	7.5	-0.5		2.0	0.6	2.6	2.3	-2.7	5.1	-2.3		0.6	-0.1	1.0	1.3	0.6	2.3	1.9	
Machinery and equipment	-2.7	1.6	6.6	-3.1	0.5	6.9	1.2		-3.8	0.8	6.8	-3.4	-0.1	5.8	0.2		1.2	0.8	-0.3	0.3	0.6	1.1	1.0	
Value of physical change in inventories	-364	260	-476	-1,068	1,276	-804	424		-648	340	-380	-620	836	-680	260		...	...	...	...	...	...	...
Government	8	12	8	-72	12	20	-56		4	-	4	-52	16	12	-56		...	...	...	...	...	...	...
Business																								
Non-farm	152	-72	224	-1,412	784	-672	768		-80	232	-80	-984	524	-444	488		...	...	...	...	...	...	...
Farm and grain in commercial channels	-524	320	-708	416	480	-152	-288		-572	108	-304	416	296	-248	-172		...	...	...	...	...	...	...
Exports of goods and services ..	8.9	-0.2	-1.5	0.4	4.3	1.3	2.1		6.6	-0.6	-1.6	0.4	5.2	1.2	0.4		2.1	0.4	0.1	-	-0.9	0.2	1.7	
Imports of goods and services ..	1.2	-0.9	0.3	-7.6	11.3	3.9	4.5		0.5	-1.4	1.1	-7.0	10.5	2.7	2.2		0.7	0.5	-0.8	-0.6	0.7	1.2	2.2	
Residual error of estimate ^{2/} ..	116	-332	260	-980	272	440	240		84	-260	196	-744	208	316	176		...	...	...	...	...	...	...
Gross national expenditure	2.1	1.4	1.4	1.6	2.3	3.4	2.5		0.1	0.7	0.6	1.5	1.5	2.1	1.6		2.0	0.6	0.8	0.1	0.7	1.3	0.9	
(Gross national expenditure excluding value of physical change in inventories)	(2.5)	(1.1)	(2.0)	(2.9)	(0.8)	(4.3)	(2.0)		(1.1)	(0.2)	(1.2)	(2.5)	(0.2)	(3.2)	(1.2)		(1.4)	(0.8)	(0.8)	(0.4)	(0.6)	(1.2)	(0.8)	

^{1/} Implicit price indexes are currently weighted (Paasche) and therefore reflect changes in expenditure patterns as well as price changes of individual items.

^{2/} Absolute change in billions of dollars.

a somewhat lower rate in the third quarter than in the second quarter. This was mostly due to the fact that materials prices did not climb as sharply in non-residential construction, largely because lumber has a smaller weight in that cost index. The implicit price index for machinery and equipment rose by 1.0 per cent, approximately the same rate as in the second quarter.

Both the export and the import implicit price indexes rose at sharply accelerated rates in the third quarter. The 1.7 per cent increase in the export price index reflected sharp jumps in the prices of lumber, nickel, zinc, and of some steel products. The export implicit price index had shown little change in recent previous quarters, except for a 0.9 per cent decline in the first quarter. The price index for imports rose by 2.2 per cent, compared with a 1.2 per cent rise in the second quarter.

The Government Sector

Total current government expenditures of all levels of government combined (excluding intra-governmental transfers) rose by \$1,556 million, 5.3 per cent above the second quarter rate. Higher current spending on goods and services accounted for about one-third of the increase. There were notable increases in provincial and local government expenditures on goods and services, although these were partially offset by a decline in federal spending. Capital outlays declined slightly, mainly due to decreases at the federal and provincial levels. A rise equivalent to that in expenditures on goods and services took place in transfer payments to persons. Most of this increase was concentrated at the provincial level where there were higher transfers to post-secondary educational institutions and benevolent associations. All other expenditure categories also showed increases.

Total government revenues of all levels of government combined increased by 4.7 per cent, or \$1,512 million, in the quarter. The greater part of the rise was accounted for by higher returns from personal income taxes at both the federal and provincial levels of government. Other major rises took place in revenues from indirect taxes, investment income and corporate tax liabilities, particularly at the federal level.

With the total revenues and total expenditures of all governments combined rising by approximately the same amounts, the surplus of the government sector, on a national accounts basis and seasonally adjusted at annual rates, showed little change in the quarter. However, sharp movements occurred at the individual levels of government. The federal government moved from a deficit of \$420 million in the second quarter to a surplus of \$240 million in the third quarter. At the provincial level, an unusually sharp increase in transfer payments to local governments reinforced the rise in other expenditures with the result that the surplus of \$96 million in the second quarter became a deficit of \$856 million in the third quarter. The position of local governments, reflecting the notable rise in transfer payments from provincial governments, became a surplus of \$88 million from a deficit of \$220 million in the second quarter.

Revision Note

The Balance of Payments Division revised data for 1969 and 1970. Revised figures are shown in "Quarterly Estimates of the Canadian Balance of International Payments Second Quarter 1971", Statistics Canada 67-001. These revisions have not been incorporated in the National Accounts. They are shown below on a National Accounts Basis.

	Unadjusted for seasonality		Seasonally adjusted annual rates	
	Published	Revised	Published	Revised
millions of dollars				
Exports of goods and services:				
1969 - 1st quarter	4,128	4,195	18,312	18,524
2nd "	4,700	4,761	18,048	18,276
3rd "	4,741	4,793	18,104	18,364
4th "	4,899	4,949	19,408	19,628
Year	18,468	18,698	18,468	18,698
1970 - 1st quarter	4,724	4,763	21,132	21,176
2nd "	5,552	5,611	21,096	21,140
3rd "	5,431	5,464	20,780	21,180
4th "	5,262	5,344	20,868	21,232
Year	20,969	21,182	20,969	21,182
Imports of goods and services:				
1969 - 1st quarter	4,430	4,495	19,144	19,236
2nd "	5,095	5,237	19,120	19,728
3rd "	4,769	4,836	19,396	19,736
4th "	5,141	5,187	20,080	20,320
Year	19,435	19,755	19,435	19,755
1970 - 1st quarter	4,714	4,807	20,320	20,444
2nd "	5,360	5,467	20,140	20,568
3rd "	4,963	5,057	20,200	20,596
4th "	4,796	4,870	18,672	19,196
Year	19,833	20,201	19,833	20,201
Surplus or deficit (-) on current account with non-residents:				
1969 - 1st quarter	- 302	- 300	- 832	- 712
2nd "	- 395	- 476	- 1,072	- 1,452
3rd "	- 28	- 43	- 1,292	- 1,372
4th "	- 242	- 238	- 672	- 692
Year	- 967	- 1,057	- 967	- 1,057
1970 - 1st quarter	10	44	812	732
2nd "	192	144	956	572
3rd "	468	407	580	584
4th "	466	474	2,196	2,036
Year	1,136	981	1,136	981
Exports of goods and services (Constant (1961) dollars):				
1969 - 1st quarter	3,552	3,597	15,704	15,844
2nd "	3,986	4,025	15,296	15,444
3rd "	3,973	4,005	15,340	15,508
4th "	4,161	4,191	16,348	16,476
Year	15,672	15,818	15,672	15,818
1970 - 1st quarter	3,908	3,926	17,428	17,436
2nd "	4,561	4,588	17,324	17,324
3rd "	4,403	4,418	17,044	17,360
4th "	4,354	4,442	17,108	17,376
Year	17,226	17,374	17,226	17,374
Imports of goods and services (Constant (1961) dollars):				
1969 - 1st quarter	3,843	3,892	16,656	16,704
2nd "	4,379	4,486	16,444	16,912
3rd "	4,029	4,081	16,440	16,708
4th "	4,357	4,394	16,892	17,088
Year	16,608	16,853	16,608	16,853
1970 - 1st quarter	3,926	3,995	16,976	16,976
2nd "	4,455	4,483	16,744	17,020
3rd "	4,140	4,208	16,932	17,168
4th "	4,078	4,129	15,744	16,096
Year	16,599	16,815	16,599	16,815

TABLES UNADJUSTED FOR SEASONAL VARIATION

TABLE 1. National Income and Gross National Product, by Quarters, 1968 and 1969
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	8,926	9,519	9,977	10,071	38,493	10,088	10,695	11,215	11,205	43,203
2. Military pay and allowances	213	194	218	235	860	214	224	222	238	898
3. Corporation profits before taxes(1)*	1,567	1,988	1,799	2,088	7,442	1,845	2,203	1,801	2,003	7,852
4. Deduct: Dividends paid to non-residents(2)	- 188	- 186	- 191	- 262	- 827	- 183	- 169	- 170	- 296	- 818
5. Interest, and miscellaneous investment income(3)	610	589	654	718	2,571	801	739	793	854	3,187
6. Accrued net income of farm operators from farm production(4)	- 118	- 105	1,636	58	1,471	- 115	10	1,713	87	1,695
7. Net income of non-farm unincorporated business including rent(5)	955	1,060	1,065	1,138	4,218	1,000	1,108	1,124	1,178	4,410
8. Inventory valuation adjustment(6)	- 108	- 53	- 29	- 127	- 317	- 156	- 156	- 74	- 163	- 549
9. NET NATIONAL INCOME AT FACTOR COST ...	11,857	13,006	15,129	13,919	53,911	13,494	14,654	16,624	15,106	59,878
10. Indirect taxes less subsidies	2,340	2,345	2,427	2,565	9,677	2,568	2,592	2,676	2,811	10,647
11. Capital consumption allowances and miscellaneous valuation adjustments	2,003	2,131	2,124	2,153	8,411	2,160	2,246	2,300	2,360	9,066
12. Residual error of estimate	- 246	- 236	- 137	8	- 611	- 431	- 426	- 288	114	- 1,031
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	15,954	17,246	19,543	18,645	71,388	17,791	19,066	21,312	20,391	78,560
14. (Gross national product at market prices excluding accrued net income of farm operators)	(16,072)	(17,351)	(17,907)	(18,587)	(69,917)	(17,906)	(19,056)	(19,599)	(20,304)	(76,865)

See footnote(s) below.

TABLE 1. National Income and Gross National Product, by Quarters, 1970 and 1971
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	11,177	11,665	12,096	12,105	47,043	11,988	12,942	13,445		
2. Military pay and allowances	229	220	222	235	906	225	207	201		
3. Corporation profits before taxes(1)*	1,767	2,030	1,800	1,767	7,364	1,678	2,217	2,130		
4. Deduct: Dividends paid to non-residents(2)	- 249	- 182	- 202	- 273	- 906	- 199	- 171	- 184		
5. Interest, and miscellaneous investment income(3)	901	842	937	934	3,614	983	916	1,033		
6. Accrued net income of farm operators from farm production(4)	- 49	210	1,103	105	1,369	- 107	236	1,502		
7. Net income of non-farm unincorporated business including rent(5)	1,046	1,134	1,146	1,225	4,551	1,093	1,223	1,269		
8. Inventory valuation adjustment(6)	- 118	- 48	21	- 26	- 171	- 150	- 196	- 93		
9. NET NATIONAL INCOME AT FACTOR COST ...	14,704	15,871	17,123	16,072	63,770	15,511	17,374	19,303		
10. Indirect taxes less subsidies	2,755	2,724	2,851	2,921	11,251	2,975	3,052	3,139		
11. Capital consumption allowances and miscellaneous valuation adjustments	2,376	2,520	2,528	2,474	9,898	2,537	2,633	2,648		
12. Residual error of estimate	- 439	- 223	- 165	376	- 451	- 323	- 410	- 396		
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	19,396	20,892	22,337	21,843	84,468	20,700	22,649	24,694		
14. (Gross national product at market prices excluding accrued net income of farm operators)	(19,445)	(20,682)	(21,234)	(21,738)	(83,099)	(20,807)	(22,413)	(23,192)		

(1) Excludes profits of government business enterprises. *See Technical Note re Corporation and Labour Unions Returns Act, page 4.

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

(3) Includes profits (net of losses) of government business enterprises and other government investment income.

(4) Includes value of physical change in farm inventories as shown in line 14, Table 5. 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.

(5) Includes net income of independent professional practitioners.

(6) See footnote 4, Table 2.

TABLE 2. Gross National Expenditure, by Quarters, 1968 and 1969
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	9,716	10,380	10,344	11,920	42,360	10,710	11,501	11,339	12,981	46,531
2. Government current expenditure on goods and services(1)	3,023	2,833	3,023	3,279	12,158	3,382	3,226	3,455	3,617	13,680
3. Gross fixed capital formation	3,440	3,968	4,254	4,147	15,809	3,688	4,328	4,652	4,574	17,242
4. Government(2)	589	700	917	789	2,995	585	706	935	826	3,052
5. Residential construction	2	3	4	4	13	2	3	4	3	12
6. Non-residential construction	486	617	811	688	2,602	505	628	833	740	2,706
7. Machinery and equipment	101	80	102	97	380	78	75	98	83	334
8. Business(3)	2,851	3,268	3,337	3,358	12,814	3,103	3,622	3,717	3,748	14,190
9. Residential construction	620	773	900	961	3,254	791	945	1,075	1,032	3,843
10. Non-residential construction	963	1,100	1,297	1,182	4,542	1,001	1,120	1,353	1,299	4,773
11. Machinery and equipment	1,268	1,395	1,140	1,215	5,018	1,311	1,557	1,289	1,417	5,574
12. Value of physical change in inventories	-217	-132	1,525	-435	741	-117	-20	1,605	-425	1,043
13. Government	-21	14	37	-1	29	-24	13	31	-14	6
Business										
14. Non-farm(4)	236	39	181	17	473	393	2	95	44	534
15. Farm and grain in commercial channels	-432	-185	1,307	-451	239	-486	-35	1,479	-455	503
16. Exports of goods and services(5)	3,597	4,310	4,420	4,392	16,719	4,128	4,700	4,741	4,899	18,468
17. Deduct: Imports of goods and services(5)	-3,851	-4,349	-4,160	-4,650	-17,010	-4,430	-5,095	-4,769	-5,141	-19,435
18. Residual error of estimate	246	236	137	-8	611	430	426	289	-114	1,031
19. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	15,954	17,246	19,543	18,645	71,388	17,791	19,066	21,312	20,391	78,560

(1) Includes defence expenditures. For amounts see line 3, Table 6.

(2) Includes outlay on new durable assets such as building and highway construction by governments, other than government business enterprises. Excludes defence construction and equipment which are defined as current expenditure.

(3) Comprises capital expenditures by private and government business enterprises, private non-commercial institutions and outlays on new residential construction by individuals. Capital expenditure is defined to include all transfer costs on the sales and purchases of existing fixed assets.

(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).

(5) See Revision Note after the text.

TABLE 3. Relation between Gross National Product at Market Prices and Gross Domestic Product at Factor Cost, by Quarters, 1968 and 1969
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. GROSS NATIONAL PRODUCT AT MARKET PRICES	15,954	17,246	19,543	18,645	71,388	17,791	19,066	21,312	20,391	78,560
2. Deduct: Residual error of estimate	246	236	137	-8	611	431	426	288	-114	1,031
3. Indirect taxes less subsidies	-2,340	-2,345	-2,427	-2,565	-9,677	-2,568	-2,592	-2,676	-2,811	-10,647
4. Income received from non-residents	-128	-140	-141	-181	-590	-190	-214	-195	-248	-847
5. Add: Income paid to non-residents ..	420	459	419	543	1,841	452	508	454	622	2,036
6. GROSS DOMESTIC PRODUCT AT FACTOR COST	14,152	15,456	17,531	16,434	63,573	15,916	17,194	19,183	17,840	70,133

TABLE 2. Gross National Expenditure, by Quarters, 1970 and 1971
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	11,367	12,155	12,005	13,468	48,995	12,003	13,099	12,982		
2. Government current expenditure on goods and services(1)	3,912	3,759	3,910	4,221	15,802	4,458	4,216	4,450		
3. Gross fixed capital formation	3,860	4,403	4,854	4,844	17,961	4,112	5,076	5,510		
4. Government(2)	613	752	998	889	3,252	638	849	1,117		
5. Residential construction	5	6	6	4	21	5	4	11		
6. Non-residential construction	537	675	896	799	2,907	559	770	991		
7. Machinery and equipment	71	71	96	86	324	74	75	115		
8. Business(3)	3,247	3,651	3,856	3,955	14,709	3,474	4,227	4,393		
9. Residential construction	750	789	941	1,057	3,537	853	992	1,273		
10. Non-residential construction	1,088	1,229	1,498	1,438	5,253	1,136	1,418	1,629		
11. Machinery and equipment	1,409	1,633	1,417	1,460	5,919	1,485	1,817	1,491		
12. Value of physical change in inventories	- 191	159	935	- 781	122	- 259	- 185	1,091		
13. Government	- 29	10	31	- 25	- 13	- 40	3	7		
Business										
14. Non-farm(4)	280	97	198	- 262	313	216	- 266	13		
15. Farm and grain in commercial channels	- 442	52	706	- 494	- 178	- 435	78	1,071		
16. Exports of goods and services(5)	4,724	5,552	5,431	5,252	20,969	4,956	5,773	5,798		
17. Deduct: Imports of goods and services(5)	- 4,714	- 5,360	- 4,963	- 4,796	- 19,833	- 4,893	- 5,740	- 5,533		
18. Residual error of estimate	438	224	165	- 375	452	323	410	396		
19. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	19,396	20,892	22,337	21,843	84,468	20,700	22,649	24,694		

(1) Includes defence expenditures. For amounts see line 3, Table 6.

(2) Includes outlay on new durable assets such as building and highway construction by governments, other than government business enterprises. Excludes defence construction and equipment which are defined as current expenditure.

(3) Comprises capital expenditures by private and government business enterprises, private non-commercial institutions and outlays on new residential construction by individuals. Capital expenditure is defined to include all transfer costs on the sales and purchases of existing fixed assets.

(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).

(5) See Revision Note after the text.

TABLE 3. Relation between Gross National Product at Market Prices and Gross Domestic Product at Factor Cost, by Quarters, 1970 and 1971
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. GROSS NATIONAL PRODUCT AT MARKET PRICES	19,396	20,892	22,337	21,843	84,468	20,700	22,649	24,694		
2. Deduct: Residual error of estimate ...	439	223	165	- 376	451	323	410	396		
3. Indirect taxes less subsidies	- 2,755	- 2,724	- 2,851	- 2,921	- 11,251	- 2,975	- 3,052	- 3,139		
4. Income received from non-residents	- 253	- 261	- 264	- 296	- 1,074	- 261	- 233	- 242		
5. Add: Income paid to non-residents	580	556	526	658	2,320	558	567	528		
6. GROSS DOMESTIC PRODUCT AT FACTOR COST	17,407	18,686	19,913	18,908	74,914	18,345	20,341	22,237		

TABLE 4. Sources of Personal Income, by Quarters, 1968 and 1969
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	8,926	9,519	9,977	10,071	38,493	10,088	10,695	11,215	11,205	43,203
2. Military pay and allowances	213	194	218	235	860	214	224	222	238	898
3. Net income received by farm operators from farm production(1)	- 20	95	1,596	19	1,690	- 115	13	1,691	55	1,644
4. Net income of non-farm unincorporated business including rent	955	1,060	1,065	1,138	4,218	1,000	1,108	1,124	1,178	4,410
5. Interest, dividends, and miscellaneous investment income(2)	1,034	1,089	1,087	1,168	4,378	1,147	1,232	1,234	1,348	4,961
<u>Current transfers</u>										
6. From government	1,331	1,307	1,319	1,395	5,352	1,518	1,492	1,492	1,562	6,064
7. Transfer payments to persons	1,329	1,306	1,317	1,394	5,346	1,517	1,491	1,490	1,562	6,060
8. Capital assistance	2	1	2	1	6	1	1	2	-	4
9. From corporations(3)	32	32	31	32	127	31	32	32	32	127
10. From non-residents	23	24	24	24	95	22	23	23	23	91
11. PERSONAL INCOME	12,494	13,320	15,317	14,082	55,213	13,905	14,819	17,033	15,641	61,398

See footnote(s) below.

TABLE 4. Sources of Personal Income, by Quarters, 1970 and 1971
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	11,177	11,665	12,096	12,105	47,043	11,988	12,942	13,445		
2. Military pay and allowances	229	220	222	235	906	225	207	201		
3. Net income received by farm operators from farm production(1)	- 82	163	1,045	36	1,162	- 152	228	1,434		
4. Net income of non-farm unincorporated business including rent	1,046	1,134	1,146	1,225	4,551	1,093	1,223	1,269		
5. Interest, dividends, and miscellaneous investment income(2)	1,282	1,364	1,336	1,418	5,400	1,362	1,426	1,396		
<u>Current transfers</u>										
6. From government	1,748	1,634	1,695	1,730	6,807	1,993	1,854	1,929		
7. Transfer payments to persons	1,748	1,633	1,694	1,729	6,804	1,992	1,853	1,928		
8. Capital assistance	-	1	1	1	3	1	1	1		
9. From corporations(3)	32	34	34	34	134	34	34	34		
10. From non-residents	24	24	25	24	97	26	27	30		
11. PERSONAL INCOME	15,456	16,238	17,599	16,807	66,100	16,569	17,941	19,738		

(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 interest on the public debt paid by government to persons.

(3) Charitable contributions and bad debt allowances.

TABLE 5. Disposition of Personal Income, by Quarters, 1968 and 1969
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	9,716	10,380	10,344	11,920	42,360	10,710	11,501	11,339	12,981	46,531
2. Durable goods	1,205	1,470	1,349	1,485	5,509	1,345	1,567	1,422	1,586	5,920
3. Semi-durable goods	876	1,077	1,069	1,545	4,567	975	1,215	1,139	1,663	4,992
4. Non-durable goods	3,792	3,870	3,997	4,784	16,443	4,110	4,271	4,371	5,179	17,931
5. Services(1)	3,843	3,963	3,929	4,106	15,841	4,280	4,448	4,407	4,553	17,688
<u>Current transfers</u>										
To government										
6. Income taxes	1,442	1,415	1,452	1,613	5,922	1,643	1,914	1,885	2,027	7,469
7. Succession duties and estate taxes	59	56	62	58	235	59	58	60	60	237
8. Employer and employee contributions to social insurance and government pension funds	504	531	537	518	2,090	573	627	618	523	2,341
9. Other	158	123	115	143	539	235	165	157	237	794
10. To corporations(2)	95	97	101	105	398	110	114	117	119	460
11. To non-residents	28	28	27	28	111	35	32	33	32	132
12. Personal saving	492	690	2,679	- 303	3,558	540	408	2,824	- 338	3,434
13. Personal saving excluding change in farm inventories	924	797	1,339	265	3,325	1,030	438	1,525	126	3,119
14. Value of physical change in farm inventories	- 432	- 107	1,340	- 568	233	- 490	- 30	1,299	- 464	315
15. PERSONAL INCOME	12,494	13,320	15,317	14,082	55,213	13,905	14,819	17,033	15,641	61,398
16. (Personal disposable income) (15-6-7-8-9)	(10,331)	(11,195)	(13,151)	(11,750)	(46,427)	(11,395)	(12,055)	(14,313)	(12,794)	(50,557)

See footnote(s) below.

TABLE 5. Disposition of Personal Income, by Quarters, 1970 and 1971
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	11,367	12,155	12,005	13,468	48,995	12,003	13,099	12,982		
2. Durable goods	1,224	1,512	1,385	1,473	5,594	1,303	1,747	1,598		
3. Semi-durable goods	1,006	1,237	1,155	1,721	5,119	1,026	1,305	1,317		
4. Non-durable goods	4,540	4,651	4,758	5,461	19,410	4,744	4,961	4,971		
5. Services(1)	4,597	4,755	4,707	4,813	18,872	4,930	5,086	5,096		
<u>Current transfers</u>										
To government										
6. Income taxes	2,018	2,274	2,166	2,321	8,779	2,315	2,489	2,570		
7. Succession duties and estate taxes	60	64	74	59	257	70	69	62		
8. Employer and employee contributions to social insurance and government pension funds	592	644	625	559	2,420	621	698	617		
9. Other	307	245	238	259	1,049	328	257	248		
10. To corporations(2)	119	119	122	124	484	125	129	134		
11. To non-residents	35	37	33	36	141	41	44	46		
12. Personal saving	958	700	2,336	- 19	3,975	1,066	1,156	3,079		
13. Personal saving excluding change in farm inventories	1,381	569	1,610	392	3,952	1,474	986	2,014		
14. Value of physical change in farm inventories	- 423	131	726	- 411	23	- 408	170	1,065		
15. PERSONAL INCOME	15,456	16,238	17,599	16,807	66,100	16,569	17,941	19,738		
16. (Personal disposable income) (15-6-7-8-9)	(12,479)	(13,011)	(14,496)	(13,609)	(53,595)	(13,235)	(14,428)	(16,241)		

(1) Includes net expenditure abroad.

(2) This item is the transfer portion of interest on the consumer debt.

TABLE 6. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarters
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
REVENUE										
1. Direct taxes - Persons	2,005	2,002	2,051	2,189	8,247	2,275	2,599	2,563	2,610	10,047
2. Federal(1)	1,230	1,242	1,240	1,395	5,107	1,446	1,684	1,636	1,735	6,501
3. Provincial	547	495	563	610	2,215	580	614	650	695	2,539
4. Local	-	-	-	-	-	-	-	-	-	-
5. Canada Pension Plan	168	193	191	134	686	180	219	208	131	738
6. Quebec Pension Plan	60	72	57	50	239	69	82	69	49	269
7. Direct taxes - Corporate and Government business enterprises	615	729	664	801	2,809	754	841	686	789	3,070
8. Federal(2)	461	546	498	600	2,105	564	628	512	590	2,294
9. (Federal tax collections)(2)	(411)	(486)	(563)	(431)	(1,891)	(633)	(941)	(636)	(559)	(2,769)
10. Provincial(3)	154	183	166	201	704	190	213	174	199	776
11. (Provincial tax collections)	(180)	(166)	(187)	(150)	(683)	(242)	(240)	(237)	(183)	(902)
12. Direct taxes-Non-residents-Federal(4)	49	60	40	60	209	46	73	48	65	232
13. Indirect taxes	2,467	2,475	2,628	2,750	10,320	2,711	2,737	2,881	2,993	11,322
14. Federal	855	905	948	1,053	3,761	929	983	1,011	1,101	4,024
15. Provincial	838	795	902	916	3,451	928	898	1,012	1,033	3,871
16. Local	774	775	778	781	3,108	854	856	858	859	3,427
17. Other current transfers from persons	158	123	115	143	539	235	165	157	237	794
18. Federal	1	1	1	1	4	1	1	1	1	4
19. Provincial	142	105	97	125	469	217	146	138	217	718
20. Local	15	16	16	16	63	17	17	17	18	69
21. Hospitals	-	1	1	1	3	-	1	1	1	3
22. Investment income	349	384	391	453	1,577	477	506	471	591	2,045
23. Federal	156	206	202	216	780	229	254	238	315	1,036
24. Provincial	163	135	153	185	636	206	192	184	206	788
25. Local	15	22	17	23	77	19	24	20	25	88
26. Hospitals	1	1	1	1	4	1	1	1	2	5
27. Canada Pension Plan	14	20	18	28	80	22	35	28	43	128
28. Current transfers from other levels of government	1,500	1,814	1,610	1,713	6,637	1,704	2,179	1,644	1,835	7,362
29. Provinces - From Canada	576	613	552	619	2,360	671	678	615	666	2,630
30. - From local governments	10	10	11	14	45	12	11	8	13	44
31. Local governments - From Canada	15	40	19	18	92	25	26	29	18	98
32. - From provinces	463	723	595	623	2,404	498	974	503	631	2,606
33. Hospitals - From provinces	431	423	428	433	1,715	493	484	483	501	1,961
34. - From local governments	5	5	5	6	21	5	6	6	6	23
35. Total revenue	7,143	7,587	7,499	8,109	30,338	8,202	9,100	8,450	9,120	34,872
36. Federal	2,752	2,960	2,929	3,325	11,966	3,215	3,623	3,446	3,807	14,091
37. Provincial	2,430	2,336	2,444	2,670	9,880	2,804	2,752	2,781	3,029	11,366
38. Local	1,282	1,576	1,425	1,461	5,744	1,413	1,897	1,427	1,551	6,288
39. Hospitals	437	430	435	441	1,743	499	492	491	510	1,992
40. Canada Pension Plan	182	213	209	162	766	202	254	236	174	866
41. Quebec Pension Plan	60	72	57	50	239	69	82	69	49	269
CURRENT EXPENDITURE										
42. Current expenditure on goods and services(5)	3,023	2,833	3,023	3,279	12,158	3,382	3,226	3,455	3,617	13,680
43. Federal	1,002	845	930	1,015	3,792	1,166	957	1,078	1,092	4,293
44. (Defence)	(481)	(419)	(433)	(479)	(1,812)	(493)	(396)	(454)	(463)	(1,806)
45. Provincial	668	555	633	704	2,560	687	611	656	782	2,736
46. Local	966	1,041	1,063	1,157	4,227	1,111	1,225	1,274	1,281	4,891
47. Hospitals	387	392	397	403	1,579	418	433	447	462	1,760
48. Transfer payments to persons	1,329	1,306	1,317	1,394	5,346	1,517	1,491	1,490	1,562	6,060
49. Federal	856	878	757	786	3,277	966	940	847	849	3,602
50. Provincial	449	401	526	577	1,953	518	513	601	670	2,302
51. Local	23	24	30	24	101	25	26	27	27	105
52. Canada Pension Plan	1	2	3	5	11	6	9	11	12	38
53. Quebec Pension Plan	-	1	1	2	4	2	3	4	4	13
54. Subsidies	127	130	201	185	643	143	145	205	182	675
55. Federal	104	114	141	159	518	120	134	151	155	560
56. Provincial	23	16	60	26	125	23	11	54	27	115

See footnote(s) at end of table.

TABLE 6. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarters - Continued
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
57. Capital assistance	21	13	32	20	86	20	28	23	36	107
58. Federal	20	10	27	15	72	16	26	17	29	88
59. Provincial	1	3	5	5	14	4	2	6	7	19
60. Current transfers to Non-residents- Federal	24	48	59	39	170	26	59	55	44	184
61. Interest on the public debt	505	609	559	595	2,268	577	700	624	720	2,621
62. Federal(6)	308	370	378	353	1,409	341	416	404	428	1,589
63. Provincial	117	111	93	126	447	155	145	127	160	587
64. Local	80	128	88	116	412	81	139	93	132	445
65. Current transfers to other levels of government	1,500	1,814	1,610	1,713	6,637	1,704	2,179	1,644	1,835	7,362
66. Canada - To provinces	576	613	552	619	2,360	671	678	615	666	2,630
67. - To local governments	15	40	19	18	92	25	26	29	18	98
68. Provinces - To local governments ...	463	723	595	623	2,404	498	974	503	631	2,606
69. - To hospitals	431	423	428	433	1,715	493	484	483	501	1,961
70. Local governments - To provinces ...	10	10	11	14	45	12	11	8	13	44
71. - To hospitals	5	5	5	6	21	5	6	6	6	23
72. Total current expenditure(7)	6,529	6,753	6,801	7,225	27,308	7,369	7,828	7,496	7,996	30,689
73. Federal	2,905	2,918	2,863	3,004	11,690	3,331	3,236	3,196	3,281	13,044
74. Provincial	2,152	2,232	2,340	2,494	9,218	2,378	2,740	2,430	2,778	10,326
75. Local	1,084	1,208	1,197	1,317	4,806	1,234	1,407	1,408	1,459	5,908
76. Hospitals	387	392	397	403	1,579	418	433	447	462	1,750
77. Canada Pension Plan	1	2	3	5	11	6	9	11	12	38
78. Quebec Pension Plan	-	1	1	2	4	2	3	4	4	13
79. Saving (Total revenue less total current expenditure)	614	834	698	884	3,030	833	1,272	954	1,124	4,183
80. Federal	- 153	42	66	321	276	-116	387	250	526	1,047
81. Provincial	278	104	104	176	662	426	12	351	251	1,040
82. Local	198	368	228	144	938	179	490	19	92	780
83. Hospitals	50	38	38	38	164	81	59	44	48	232
84. Canada Pension Plan	181	211	206	157	755	196	245	225	162	828
85. Quebec Pension Plan	60	71	56	48	235	67	79	65	45	256
<u>SURPLUS OR DEFICIT ON A NATIONAL ACCOUNTS BASIS</u>										
Saving as above:										
86. Add: Capital consumption allowances	239	244	250	255	988	261	268	274	280	1,083
87. Federal	46	47	48	50	191	50	52	53	54	209
88. Provincial	78	79	80	82	319	83	85	86	86	340
89. Local	95	97	100	101	393	106	108	111	115	440
90. Hospitals	20	21	22	22	85	22	23	24	25	94
91. Deduct: Gross capital formation	568	714	954	788	3,024	561	719	966	812	3,058
92. Federal	102	104	163	131	500	85	101	168	129	483
93. Provincial	216	188	277	277	958	234	193	290	308	1,025
94. Local	202	369	455	323	1,349	192	372	455	318	1,337
95. Hospitals	48	53	59	57	217	50	53	53	57	213
96. Equals: Surplus (+) or Deficit (-) ..	285	364	- 6	351	994	533	821	262	592	2,208
97. Federal	- 209	- 15	- 49	240	- 33	-151	338	135	451	773
98. Provincial	140	- 5	- 93	- 19	23	275	-96	147	29	355
99. Local	91	96	- 127	- 78	- 18	93	226	-325	-111	-117
100. Hospitals	22	6	1	3	32	53	29	15	16	113
101. Canada Pension Plan	181	211	206	157	755	196	245	225	162	828
102. Quebec Pension Plan	60	71	56	48	235	67	79	65	45	256

See footnote(s) at end of table.

TABLE 6. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarters - Continued
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
REVENUE										
1. Direct taxes - Persons	2,670	2,982	2,865	2,939	11,456	3,006	3,256	3,249		
2. Federal(1)	1,735	1,899	1,843	1,921	7,398	1,872	2,066	2,071		
3. Provincial	682	766	739	816	3,003	845	807	899		
4. Local	-	-	-	-	-	-	-	-		
5. Canada Pension Plan	188	232	200	153	773	228	292	196		
6. Quebec Pension Plan	65	85	83	49	282	61	91	83		
7. Direct taxes - Corporate and govern- ment business enterprises	705	786	677	686	2,854	669	860	765		
8. Federal(2)	527	594	509	512	2,142	500	643	562		
9. (Federal tax collections)(2)	(689)	(839)	(529)	(490)	(2,547)	(479)	(823)	(516)		
10. Provincial(3)	178	192	168	174	712	169	217	203		
11. (Provincial tax collections)	(247)	(225)	(229)	(159)	(860)	(228)	(233)	(238)		
12. Direct taxes-Non-residents-Federal(4)	66	70	45	86	267	61	83	50		
13. Indirect taxes	2,903	2,911	3,068	3,093	11,975	3,116	3,175	3,334		
14. Federal	929	987	1,040	1,077	4,033	977	1,081	1,143		
15. Provincial	1,029	977	1,079	1,065	4,150	1,116	1,070	1,166		
16. Local	945	947	949	951	3,792	1,023	1,024	1,025		
17. Other current transfers from persons	307	245	238	259	1,049	328	257	248		
18. Federal	1	1	1	-	3	1	-	1		
19. Provincial	289	225	217	239	970	307	236	226		
20. Local	17	18	19	19	73	20	20	20		
21. Hospitals	-	1	1	1	3	-	1	1		
22. Investment income	565	588	607	694	2,454	635	656	682		
23. Federal	245	304	305	357	1,211	302	329	345		
24. Provincial	259	208	235	249	951	258	228	254		
25. Local	22	25	22	25	94	23	27	24		
26. Hospitals	1	1	1	2	5	1	1	1		
27. Canada Pension Plan	38	50	44	61	193	51	71	58		
28. Current transfers from other levels of government	2,022	2,401	2,165	2,322	8,910	2,427	2,738	2,608		
29. Provinces - From Canada	760	803	875	877	3,315	1,119	1,002	1,032		
30. - From local governments	12	6	11	16	45	7	5	9		
31. Local governments - From Canada	15	28	21	18	82	18	33	22		
32. - From provinces	632	1,006	690	836	3,164	630	1,108	923		
33. Hospitals - From provinces	597	552	562	569	2,280	647	584	615		
34. - From local governments	6	6	6	6	24	6	6	7		
35. Total revenue	9,238	9,983	9,665	10,079	38,965	10,242	11,025	10,936		
36. Federal	3,503	3,855	3,743	3,953	15,054	3,713	4,202	4,172		
37. Provincial	3,209	3,177	3,324	3,436	13,146	3,821	3,565	3,789		
38. Local	1,631	2,024	1,701	1,849	7,205	1,714	2,212	2,014		
39. Hospitals	604	560	570	578	2,312	654	592	624		
40. Canada Pension Plan	226	282	244	214	966	279	363	254		
41. Quebec Pension Plan	65	85	83	49	282	61	91	83		
CURRENT EXPENDITURE										
42. Current expenditure on goods and services(5)	3,912	3,759	3,910	4,221	15,802	4,458	4,216	4,450		
43. Federal	1,271	1,123	1,017	1,100	4,511	1,322	1,163	1,096		
44. (Defence)	(530)	(430)	(449)	(459)	(1,868)	(514)	(427)	(462)		
45. Provincial	924	779	970	1,074	3,747	1,197	959	1,160		
46. Local	1,244	1,373	1,428	1,541	5,586	1,420	1,562	1,649		
47. Hospitals	473	484	495	506	1,958	519	532	545		
48. Transfer payments to persons	1,748	1,633	1,694	1,729	6,804	1,992	1,853	1,928		
49. Federal	1,066	1,053	956	978	4,053	1,204	1,223	1,102		
50. Provincial	637	526	682	688	2,533	717	547	740		
51. Local	25	29	29	31	114	35	43	40		
52. Canada Pension Plan	15	19	20	24	78	27	30	35		
53. Quebec Pension Plan	5	6	7	8	26	9	10	11		
54. Subsidies	148	187	217	172	724	141	123	195		
55. Federal	131	168	151	143	593	107	101	122		
56. Provincial	17	19	66	29	131	34	22	73		

See footnote(s) at end of table.

TABLE 6. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarters - Concluded
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
57. Capital Assistance	33	41	22	28	124	58	42	44		
58. Federal	25	39	16	20	100	45	40	39		
59. Provincial	8	2	6	8	24	13	2	5		
60. Current transfers to Non-residents - Federal	42	53	89	60	244	50	44	77		
61. Interest on the public debt	688	808	720	814	3,030	739	885	793		
62. Federal(6)	427	487	463	484	1,861	444	510	509		
63. Provincial	172	157	161	189	679	202	195	184		
64. Local	89	164	96	141	490	93	180	100		
65. Current transfers to other levels of government	2,022	2,401	2,165	2,322	8,910	2,427	2,738	2,608		
66. Canada - To provinces	760	803	875	877	3,315	1,119	1,002	1,032		
67. - To local governments	15	28	21	18	82	18	33	22		
68. Provinces - To local governments ...	632	1,006	690	836	3,164	630	1,108	923		
69. - To hospitals	597	552	562	569	2,280	647	584	615		
70. Local governments - To provinces ...	12	6	11	16	45	7	5	9		
71. - To hospitals ...	6	6	6	6	24	6	6	7		
72. Total current expenditure(7)	8,593	8,882	8,817	9,346	35,638	9,865	9,901	10,095		
73. Federal	3,737	3,754	3,588	3,680	14,759	4,309	4,116	3,999		
74. Provincial	2,987	3,041	3,137	3,393	12,558	3,440	3,417	3,700		
75. Local	1,376	1,578	1,570	1,735	6,259	1,561	1,796	1,805		
76. Hospitals	473	484	495	506	1,958	519	532	545		
77. Canada Pension Plan	15	19	20	24	78	27	30	35		
78. Quebec Pension Plan	5	6	7	8	26	9	10	11		
79. Saving (Total revenue less total current expenditure)	645	1,101	848	733	3,327	377	1,124	841		
80. Federal	-234	101	155	273	295	-596	86	173		
81. Provincial	222	136	187	43	588	381	148	89		
82. Local	255	446	131	114	946	153	416	209		
83. Hospitals	131	76	75	72	354	135	60	79		
84. Canada Pension Plan	211	263	224	190	888	252	333	219		
85. Quebec Pension Plan	60	79	76	41	256	52	81	72		
SURPLUS OR DEFICIT ON A NATIONAL ACCOUNTS BASIS										
Saving as above:										
86. Add: Capital consumption allowances	287	294	301	308	1,190	315	323	331		
87. Federal	55	57	58	60	230	62	64	66		
88. Provincial	88	90	91	92	361	93	94	95		
89. Local	119	121	125	129	494	133	137	141		
90. Hospitals	25	26	27	27	105	27	28	29		
91. Deduct: Gross capital formation	584	762	1,029	864	3,239	598	852	1,124		
92. Federal	92	115	194	136	537	84	124	202		
93. Provincial	233	212	309	308	1,062	232	255	350		
94. Local	207	380	470	363	1,420	227	415	512		
95. Hospitals	52	55	56	57	220	55	58	60		
96. Equals: Surplus(+) or deficit(-)	348	633	120	177	1,278	94	595	48		
97. Federal	-271	43	19	197	-12	-618	26	37		
98. Provincial	77	14	-31	-173	-113	242	-13	-166		
99. Local	167	187	-214	-120	20	59	138	-162		
100. Hospitals	104	47	46	42	239	107	30	48		
101. Canada Pension Plan	211	263	224	190	888	252	333	219		
102. Quebec Pension Plan	60	79	76	41	256	52	81	72		

- (1) Includes the newly imposed taxes on life insurance companies. At the present time, for national accounts purposes, life insurance companies are treated as associations of individuals in so far as their investment activities are concerned. The new taxes are thus included here pending a complete review of the treatment of insurance.
- (2) Excludes the refundable tax on corporate cash profits introduced May 1966. Refunding of the tax began in the third quarter of 1968. The amounts are as follows:
- | 1967 | | | | | 1968 | | | | | 1969 | | | | | 1970 | | | | | 1971 | | | | |
|------|----|-----|----|------|------|----|-----|-----|------|------|-----|-----|-----|------|------|-----|-----|----|------|------|----|-----|----|------|
| I | II | III | IV | Year | I | II | III | IV | Year | I | II | III | IV | Year | I | II | III | IV | Year | I | II | III | IV | Year |
| 64 | 27 | 10 | 8 | 109 | -5 | 9 | -52 | -35 | -83 | -16 | -34 | -23 | -36 | -109 | -10 | -35 | 1 | 0 | -44 | -1 | -2 | - | - | - |
- (3) For the years 1950-1956 the data refer to provincial income tax collections; from 1957 on they refer to tax liabilities.
- (4) Withholding taxes.
- (5) Includes capital consumption allowances as shown in line 86.
- (6) From 1951, interest on the federal public debt is on an accrual basis; prior to 1951 it is on a "due" date basis.
- (7) See footnote 5.

TABLE 7. Transactions of Residents with Non-residents in the National Income and Expenditure Accounts, by Quarters, 1968 and 1969 (millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Exports of goods and services	3,597	4,310	4,420	4,392	16,719	4,128	4,700	4,741	4,899	18,468
2. Merchandise	3,017	3,532	3,321	3,667	13,537	3,467	3,809	3,545	4,053	14,874
3. Non-merchandise	580	778	1,099	725	3,182	661	891	1,196	846	3,594
4. Deduct: Imports of goods and services	-3,851	-4,349	-4,160	-4,650	-17,010	-4,430	-5,095	-4,769	-5,141	-19,435
5. Merchandise	-2,754	-3,140	-2,859	-3,409	-12,162	-3,226	-3,706	-3,303	-3,752	-13,987
6. Non-merchandise	-1,097	-1,209	-1,301	-1,241	-4,848	-1,204	-1,389	-1,466	-1,389	-5,448
7. Add: Net current transfers abroad	20	8	-22	17	23	7	5	-17	12	7
8. Current transfers to abroad(-)(1) ..	-52	-76	-86	-67	-281	-61	-91	-88	-76	-316
9. Current transfers from abroad(+)(2)	72	84	64	84	304	68	96	71	88	323
10. Equals: Saving(3)	-234	-31	238	-241	-268	-295	-390	-45	-230	-960
Reconciliation with the "Canadian Balance of International Payments":										
Saving as above	-234	-31	238	-241	-268	-295	-390	-45	-230	-960
Add: Net inheritances and migrants' funds	7	46	75	33	161	22	56	51	40	169
Equals: Surplus(+) or deficit(-) on current account as per "Canadian Balance of International Payments"(4)	-227	15	313	-208	-107	-273	-334	6	-190	-791

See footnote(s) below.

TABLE 7. Transactions of Residents with Non-residents in the National Income and Expenditure Accounts, by Quarters, 1970 and 1971 (millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Exports of goods and services	4,724	5,552	5,431	5,262	20,969	4,956	5,773	5,798		
2. Merchandise	3,950	4,540	4,056	4,332	16,878	4,107	4,694	4,356		
3. Non-merchandise	774	1,012	1,375	930	4,091	849	1,079	1,442		
4. Deduct: Imports of goods and services	-4,714	-5,360	-4,963	-4,796	-19,833	-4,893	-5,740	-5,533		
5. Merchandise	-3,305	-3,875	-3,317	-3,337	-13,834	-3,399	-4,130	-3,742		
6. Non-merchandise	-1,409	-1,485	-1,646	-1,459	-5,999	-1,494	-1,610	-1,791		
7. Add: Net current transfers abroad	13	4	-52	14	-21	-4	22	-43		
8. Current transfers to abroad(-)(1) ..	-77	-90	-122	-96	-385	-91	-88	-123		
9. Current transfers from abroad(+)(2)	90	94	70	110	364	87	110	80		
10. Equals: Saving(3)	23	196	416	480	1,115	59	55	222		
Reconciliation with the "Canadian Balance of International Payments":										
Saving as above	23	196	416	480	1,115	59	55	222		
Add: Net inheritances and migrants' funds	30	52	60	22	164	48	59	52		
Equals: Surplus(+) or deficit(-) on current account as per "Canadian Balance of International Payments"(4)	53	248	476	502	1,279	107	114	274		

(1) Includes personal remittances, government official contributions and government pension payments.

(2) Includes withholding taxes and personal remittances from abroad.

(3) Saving of residents on transactions with non-residents in the national income and expenditure accounts. A negative figure indicates savings made available to the economy by non-residents (see line 8, Table 8).

(4) See Statistics Canada Daily, August 13, 1971.

TABLE 8. Sources of Gross Saving, by Quarters, 1968 and 1969
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
Saving										
Persons and unincorporated business										
1. Personal saving	492	690	2,679	-303	3,558	540	408	2,824	-338	3,434
2. Adjustment on grain transactions(1)	-98	-200	40	39	-219	-	-3	22	32	51
Corporate and government business enterprises										
3. Undistributed corporation profits	491	808	686	721	2,706	646	913	663	591	2,813
4. Undistributed profits of government business enterprises	68	55	63	69	255	95	63	79	49	286
5. Capital assistance	19	12	30	19	80	19	27	21	36	103
6. Inventory valuation adjustment ...	-108	-53	-29	-127	-317	-156	-156	-74	-163	-549
7. Government	614	834	698	884	3,030	833	1,272	954	1,124	4,183
8. Non-residents	234	31	-238	241	268	295	390	45	230	960
9. Capital consumption allowances and miscellaneous valuation adjustments	2,003	2,131	2,124	2,153	8,411	2,160	2,246	2,300	2,360	9,066
10. Residual error of estimate	-246	-236	-137	8	-611	-431	-426	-288	114	-1,031
11. Total	3,469	4,072	5,916	3,704	17,161	4,001	4,734	6,546	4,035	19,316

See footnote below.

TABLE 9. Sources of Gross Saving, by Quarters, 1970 and 1971
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
Saving										
Persons and unincorporated business										
1. Personal saving	958	700	2,336	-19	3,975	1,066	1,156	3,079		
2. Adjustment on grain transactions(1)	33	47	58	69	207	45	8	68		
Corporate and government business enterprises										
3. Undistributed corporation profits	537	764	637	496	2,434	528	907	914		
4. Undistributed profits of government business enterprises	105	81	86	38	310	98	93	115		
5. Capital assistance	33	40	21	27	121	57	41	43		
6. Inventory valuation adjustment ...	-118	-48	21	-26	-171	-150	-196	-93		
7. Government	645	1,101	848	733	3,327	377	1,124	841		
8. Non-residents	-23	-196	-416	-480	-1,115	-59	-55	-222		
9. Capital consumption allowances and miscellaneous valuation adjustments	2,376	2,520	2,528	2,474	9,898	2,537	2,633	2,648		
10. Residual error of estimate	-439	-223	-165	376	-451	-323	-410	-396		
11. Total	4,107	4,786	5,954	3,688	18,535	4,176	5,301	6,997		

(1) This item is the 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 4.

TABLE 9. Disposition of Gross Saving, by Quarters, 1968 and 1969
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Total gross fixed capital formation(1)	3,440	3,968	4,254	4,147	15,809	3,688	4,328	4,652	4,574	17,242
2. Residential construction	622	776	904	965	3,267	793	948	1,079	1,035	3,855
3. Non-residential construction	1,449	1,717	2,108	1,870	7,144	1,506	1,748	2,186	2,039	7,479
4. Machinery and equipment	1,369	1,475	1,242	1,312	5,398	1,389	1,632	1,387	1,500	5,908
5. Value of physical change in inventories	-217	-132	1,525	-435	741	- 117	- 20	1,605	- 425	1,043
6. Residual error of estimate	246	236	137	- 8	611	430	426	289	- 114	1,031
7. Total	3,469	4,072	5,916	3,704	17,161	4,001	4,734	6,546	4,035	19,316

See footnote below.

TABLE 9. Disposition of Gross Saving, by Quarters, 1970 and 1971
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Total gross fixed capital formation(1)	3,860	4,403	4,854	4,844	17,961	4,112	5,076	5,510		
2. Residential construction	755	795	947	1,061	3,558	858	996	1,284		
3. Non-residential construction	1,625	1,904	2,394	2,237	8,160	1,695	2,188	2,620		
4. Machinery and equipment	1,480	1,704	1,513	1,546	6,243	1,559	1,892	1,606		
5. Value of physical change in inventories	- 191	159	935	- 781	122	- 259	- 185	1,091		
6. Residual error of estimate	438	224	165	- 375	452	323	410	396		
7. Total	4,107	4,786	5,954	3,688	18,535	4,176	5,301	6,997		

(1) For a breakdown between government and business, see Table 2.

TABLE 10. Gross National Expenditure in Constant(1961) Dollars, by Quarters, 1968 and 1969(1)
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	8,371	8,825	8,696	9,961	35,853	8,888	9,380	9,130	10,449	37,847
2. Durable goods	1,157	1,404	1,277	1,399	5,237	1,284	1,477	1,333	1,470	5,564
3. Semi-durable goods	745	902	897	1,265	3,809	805	984	919	1,328	4,036
4. Non-durable goods	3,324	3,316	3,369	4,063	14,072	3,511	3,546	3,563	4,276	14,896
5. Services	3,145	3,203	3,153	3,234	12,735	3,288	3,373	3,315	3,375	13,351
6. Government current expenditure on goods and services	2,175	2,032	2,126	2,206	8,539	2,259	2,097	2,202	2,258	8,816
7. Gross fixed capital formation	2,914	3,315	3,522	3,426	13,177	3,001	3,479	3,687	3,601	13,768
8. Government	495	569	745	649	2,458	468	570	739	640	2,417
9. Residential construction	2	2	3	3	10	2	2	3	2	9
10. Non-residential construction	400	493	648	557	2,098	395	500	647	566	2,108
11. Machinery and equipment	93	74	94	89	350	71	68	89	72	300
12. Business	2,419	2,746	2,777	2,777	10,719	2,533	2,909	2,948	2,961	11,351
13. Residential construction	490	601	693	734	2,518	588	687	790	761	2,826
14. Non-residential construction	810	914	1,080	978	3,782	807	883	1,056	992	3,538
15. Machinery and equipment	1,119	1,231	1,004	1,065	4,419	1,138	1,339	1,102	1,208	4,787
16. Value of physical change in inventories	-163	-86	1,173	-313	611	-53	-108	1,428	-357	910
17. Government	-20	12	33	-2	23	-22	10	27	-12	3
Business										
18. Non-farm	207	79	119	76	481	355	20	18	63	456
19. Farm and grain in commercial channels	-350	-177	1,021	-387	107	-386	-138	1,383	-408	451
20. Exports of goods and services(2)	3,128	3,741	3,798	3,840	14,507	3,552	3,986	3,973	4,161	15,672
21. (of which: merchandise)	(2,672)	(3,142)	(2,952)	(3,289)	(12,055)	(3,052)	(3,324)	(3,101)	(3,546)	(13,023)
22. Deduct: Imports of goods and services(2)	- 3,388	- 3,811	- 3,646	- 4,086	- 14,931	-3,843	-4,379	-4,029	-4,357	-16,608
23. (of which: merchandise)	(2,508)	(2,857)	(2,625)	(3,110)	(11,100)	(2,891)	(3,300)	(2,902)	(3,280)	(12,373)
24. Residual error of estimate	204	194	111	- 6	503	341	333	223	-88	809
25. GROSS NATIONAL EXPENDITURE IN CONSTANT(1961) DOLLARS	13,241	14,210	15,780	15,028	58,259	14,145	14,788	16,614	15,667	61,214

(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 10, 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 movement in the implicit price deflators based on seasonally adjusted data are less subject to the problem of shifting weights and may be used as a measure of price change.

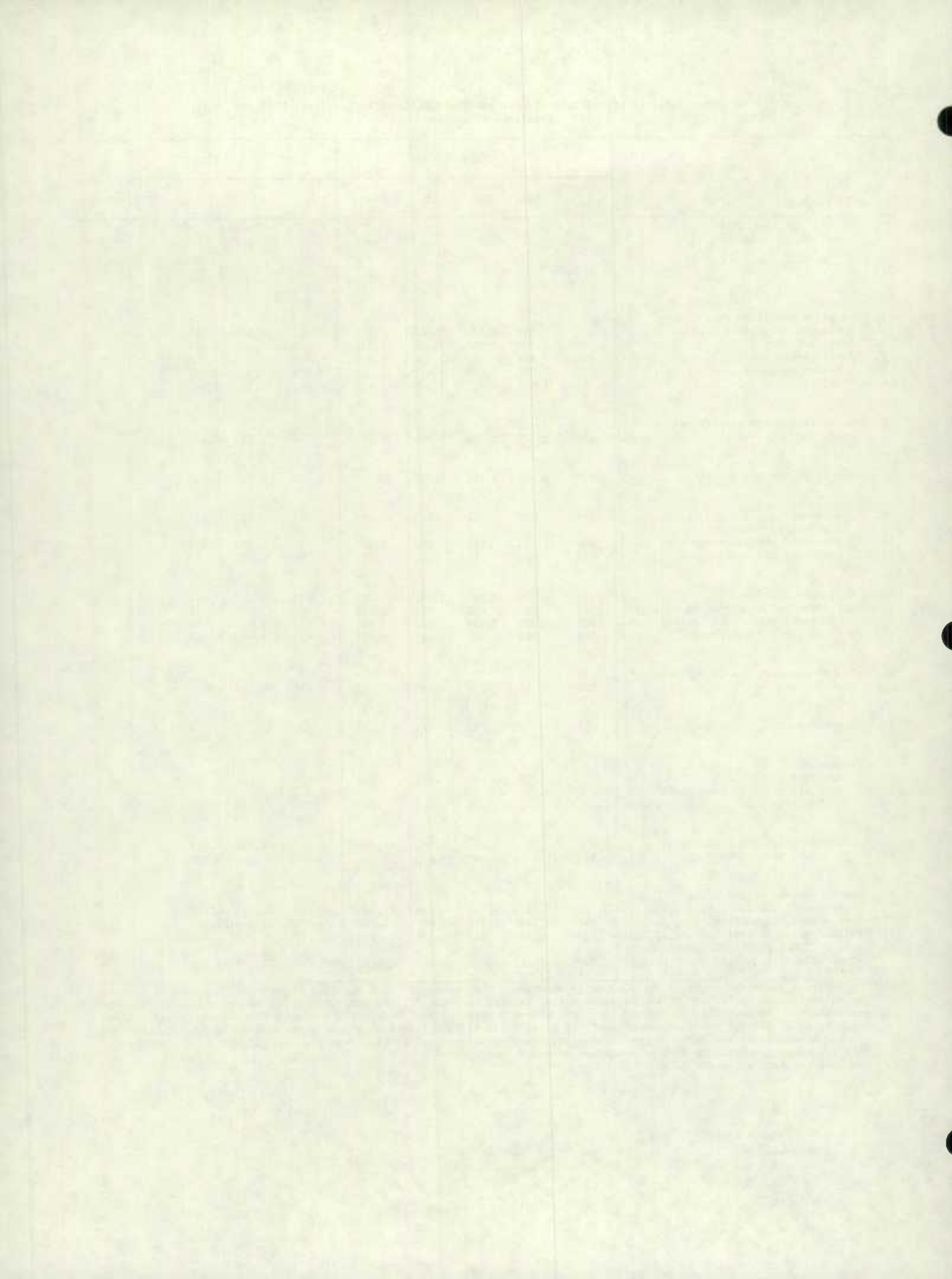
(2) See Revision Note after the text.

TABLE 10. Gross National Expenditure in Constant(1961) Dollars, by Quarters, 1970 and 1971(1)
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	9,032	9,569	9,408	10,601	38,610	9,387	10,104	9,916		
2. Durable goods	1,131	1,383	1,262	1,335	5,111	1,185	1,575	1,438		
3. Semi-durable goods	811	985	921	1,354	4,071	824	1,030	1,035		
4. Non-durable goods	3,732	3,752	3,818	4,487	15,789	3,909	3,952	3,898		
5. Services	3,358	3,449	3,407	3,425	13,639	3,469	3,547	3,545		
6. Government current expenditure on goods and services	2,452	2,321	2,368	2,520	9,661	2,652	2,387	2,547		
7. Gross fixed capital formation	3,025	3,435	3,756	3,709	13,925	3,129	3,800	4,031		
8. Government	474	581	768	677	2,500	477	623	817		
9. Residential construction	4	4	4	3	15	3	3	7		
10. Non-residential construction	408	515	680	600	2,203	411	557	713		
11. Machinery and equipment	62	62	84	74	282	63	63	97		
12. Business	2,551	2,854	2,988	3,032	11,425	2,652	3,177	3,214		
13. Residential construction	545	565	668	740	2,518	589	676	849		
14. Non-residential construction	822	925	1,129	1,071	3,947	833	1,014	1,153		
15. Machinery and equipment	1,184	1,364	1,191	1,221	4,960	1,230	1,487	1,212		
16. Value of physical change in inventories	-224	26	919	-679	42	- 232	- 313	1,137		
17. Government	-26	7	27	-23	-15	-34	2	5		
Business										
18. Non-farm	223	121	127	-211	260	197	- 194	3		
19. Farm and grain in commercial channels	-421	-102	765	-445	-203	-395	-121	1,129		
20. Exports of goods and services(2)	3,908	4,561	4,403	4,354	17,226	4,081	4,739	4,627		
21. (of which: merchandise)	(3,350)	(3,844)	(3,437)	(3,693)	(14,324)	(3,495)	(4,022)	(3,676)		
22. Deduct: Imports of goods and services(2)	-3,926	-4,455	-4,140	-4,078	-16,599	-4,080	-4,740	-4,456		
23. (of which: merchandise)	(2,861)	(3,349)	(2,920)	(2,987)	(12,117)	(2,982)	(3,576)	(3,187)		
24. Residual error of estimate	332	169	123	-279	345	237	298	284		
25. GROSS NATIONAL EXPENDITURE IN CONSTANT(1961) DOLLARS	14,599	15,626	16,837	16,148	63,210	15,174	16,275	18,086		

(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 10, 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 movements in the implicit price deflators based on seasonally adjusted data are less subject to the problem of shifting weights and may be used as a measure of price change.

(2) See revision note after the text.



TABLES ADJUSTED FOR SEASONAL VARIATION AND AT ANNUAL RATES

TABLE 11. National Income and Gross National Product, by Quarters, 1968 and 1969
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	36,912	37,976	38,876	40,208	38,493	41,672	42,612	43,724	44,804	43,203
2. Military pay and allowances	828	808	864	940	860	840	920	884	948	898
3. Corporation profits before taxes(1)*	6,960	7,316	7,568	7,924	7,442	8,160	8,084	7,576	7,588	7,852
4. Deduct: Dividends paid to non-residents(2)	-816	-892	-860	-740	-827	-808	-832	-772	-860	-818
5. Interest, and miscellaneous investment income(3)	2,356	2,492	2,704	2,732	2,571	3,076	3,132	3,252	3,288	3,187
6. Accrued net income of farm operators from farm production(4)	1,536	1,256	1,516	1,576	1,471	1,540	1,552	1,964	1,724	1,695
7. Net income of non-farm unincorporated business including rent(5)	4,104	4,208	4,244	4,316	4,218	4,292	4,388	4,480	4,480	4,410
8. Inventory valuation adjustment(6)	-352	-196	-272	-448	-317	-536	-616	-460	-584	-549
9. NET NATIONAL INCOME AT FACTOR COST ...	51,528	52,968	54,640	56,508	53,911	58,236	59,240	60,648	61,388	59,878
10. Indirect taxes less subsidies	9,516	9,512	9,700	9,980	9,677	10,456	10,524	10,692	10,916	10,647
11. Capital consumption allowances and miscellaneous valuation adjustments	8,168	8,416	8,488	8,572	8,411	8,796	8,872	9,200	9,396	9,066
12. Residual error of estimate	-312	-664	-548	-920	-611	-1,044	-1,184	-1,200	-696	-1,031
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	68,900	70,232	72,280	74,140	71,388	76,444	77,452	79,340	81,004	78,560
14. (Gross national product at market prices excluding accrued net income of farm operators)	(67,364)	(68,976)	(70,764)	(72,564)	(69,917)	(74,904)	(75,900)	(77,376)	(79,280)	(76,865)

See footnote(s) below.

TABLE 11. National Income and Gross National Product, by Quarters, 1970 and 1971
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	46,156	46,444	47,212	48,360	47,043	49,492	51,484	52,584		
2. Military pay and allowances	896	908	884	936	906	924	876	824		
3. Corporation profits before taxes(1)*	7,740	7,412	7,596	6,708	7,364	7,216	7,944	8,684		
4. Deduct: Dividends paid to non-residents(2)	-1,076	-868	-896	-784	-906	-824	-832	-828		
5. Interest, and miscellaneous investment income(3)	3,416	3,560	3,836	3,644	3,614	3,740	3,928	4,048		
6. Accrued net income of farm operators from farm production(4)	1,380	1,536	1,116	1,444	1,369	1,548	1,776	1,812		
7. Net income of non-farm unincorporated business including rent(5)	4,488	4,484	4,564	4,668	4,551	4,764	4,892	5,064		
8. Inventory valuation adjustment(6)	-380	-188	-84	-32	-171	-544	-696	-632		
9. NET NATIONAL INCOME AT FACTOR COST ...	62,620	63,288	64,228	64,944	63,770	66,316	69,372	71,556		
10. Indirect taxes less subsidies	11,152	11,096	11,420	11,336	11,251	11,996	12,400	12,568		
11. Capital consumption allowances and miscellaneous valuation adjustments	9,732	9,924	10,080	9,856	9,898	10,092	10,096	10,268		
12. Residual error of estimate	-820	-484	-740	240	-451	-32	-476	-716		
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	82,684	83,824	84,988	86,376	84,468	88,372	91,392	93,676		
14. (Gross national product at market prices excluding accrued net income of farm operators)	(81,304)	(82,288)	(83,872)	(84,932)	(83,099)	(86,824)	(89,616)	(91,864)		

(1) See footnote 1, Table 1. *See Technical Note re Corporation and Labour Unions Returns Act, page 4.

(2) See footnote 2, Table 1.

(3) See footnote 3, Table 1.

(4) Includes an arbitrary smoothing of crop production, and standard seasonal adjustments for withdrawals of gains from farm stocks and for the change in farm-held livestock and other inventories. Because of the arbitrary element, too precise an interpretation should not be given the seasonally adjusted figures of accrued net income of farm operators.

(5) See footnote 5, Table 1.

(6) See footnote 4, Table 2.

TABLE 12. Gross National Expenditure, by Quarters, 1968 and 1969
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	41,104	41,596	42,812	43,928	42,360	45,256	46,032	46,648	48,188	46,531
2. Government current expenditure on goods and services(1)	11,660	11,744	12,328	12,900	12,158	12,996	13,368	14,068	14,288	13,680
3. Gross fixed capital formation	15,744	15,548	15,744	16,200	15,809	16,804	17,092	17,368	17,704	17,242
4. Government(2)	2,988	3,012	2,988	2,992	2,995	3,012	3,012	3,068	3,116	3,052
5. Residential construction	8	12	16	16	13	8	12	16	12	12
6. Non-residential construction	2,592	2,608	2,600	2,608	2,602	2,680	2,652	2,708	2,784	2,706
7. Machinery and equipment	388	392	372	368	380	324	348	344	320	334
8. Business(3)	12,756	12,536	12,756	13,208	12,814	13,792	14,080	14,300	14,588	14,190
9. Residential construction	3,024	3,200	3,208	3,584	3,254	3,780	3,948	3,888	3,756	3,843
10. Non-residential construction	4,532	4,536	4,536	4,564	4,542	4,688	4,664	4,776	4,964	4,773
11. Machinery and equipment	5,200	4,800	5,012	5,060	5,018	5,324	5,468	5,636	5,868	5,574
12. Value of physical change in inventories	656	508	1,016	784	741	1,180	848	1,348	796	1,043
13. Government	20	20	40	36	29	12	16	12	- 16	6
Business										
14. Non-farm(4)	408	364	816	304	473	1,064	196	420	456	534
15. Farm and grain in commercial channels(5)	228	124	160	444	239	104	636	916	356	503
16. Exports of goods and services(6)	16,032	16,572	16,808	17,464	16,719	18,312	18,048	18,104	19,408	18,468
17. Deduct: Imports of goods and services(6)	-16,608	-16,400	-16,972	-18,060	- 17,010	-19,144	-19,120	-19,396	-20,080	- 19,435
18. Residual error of estimate	312	664	544	924	611	1,040	1,184	1,200	700	1,031
19. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	68,900	70,232	72,280	74,140	71,388	76,444	77,452	79,340	81,004	78,560
Detail of Farm Inventories and GICC:										
Value of grain crop production	1,480	1,484	1,484	1,484	1,483	1,444	1,444	1,444	1,444	1,444
Depletions of farm stocks of grain	- 1,428	- 1,172	- 988	- 1,296	- 1,221	- 1,288	- 1,064	- 1,484	- 980	- 1,204
Change in other farm-held inventories	28	- 56	- 64	- 24	- 29	- 212	88	392	32	75
Grain in commercial channels	148	- 132	- 272	280	6	160	168	564	- 140	188

(1) Includes defence expenditures. For amounts see line 44, Table 16.

(2) See footnote 2, Table 2.

(3) See footnote 3, Table 2.

(4) See footnote 4, Table 2.

(5) In the seasonally adjusted series, the value of grain crop production in each quarter is taken as one-fourth of the estimated value of crop production for the year as a whole (see footnote 4, Table 11). All other items in the farm inventories series are seasonally adjusted by standard techniques.

(6) See Revision Note after the text.

TABLE 13. Relation between Gross National Product at Market Prices and Gross Domestic Product at Factor Cost, by Quarters, 1968 and 1969
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. GROSS NATIONAL PRODUCT AT MARKET PRICES	68,900	70,232	72,280	74,140	71,388	76,444	77,452	79,340	81,004	78,560
2. Deduct: Residual error of estimate	312	664	548	920	611	1,044	1,184	1,200	696	1,031
3. Indirect taxes less subsidies	- 9,516	- 9,512	- 9,700	- 9,980	- 9,677	-10,456	-10,524	-10,692	-10,916	-10,647
4. Income received from non-residents	- 516	- 572	- 640	- 632	- 590	- 768	- 852	- 860	- 908	- 847
5. Add: Income paid to non-residents	1,796	1,864	1,900	1,804	1,841	1,936	2,040	2,068	2,100	2,036
6. GROSS DOMESTIC PRODUCT AT FACTOR COST	60,976	62,676	64,388	66,252	63,573	68,200	69,300	71,056	71,976	70,133

TABLE 12. Gross National Expenditure, by Quarters, 1970 and 1971
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	48,008	48,580	49,312	50,080	48,995	50,956	53,100	54,168		
2. Government current expenditure on goods and services(1)	15,024	15,708	15,968	16,508	15,802	17,164	17,620	18,244		
3. Gross fixed capital formation	17,592	17,404	18,168	18,680	17,961	18,804	20,112	20,564		
4. Government(2)	3,172	3,204	3,276	3,356	3,252	3,400	3,660	3,656		
5. Residential construction	20	24	24	16	21	20	16	40		
6. Non-residential construction	2,844	2,864	2,916	3,004	2,907	3,024	3,252	3,236		
7. Machinery and equipment	308	316	336	336	324	356	392	380		
8. Business(3)	14,420	14,200	14,892	15,324	14,709	15,404	16,452	16,908		
9. Residential construction	3,620	3,280	3,408	3,840	3,537	4,000	4,228	4,632		
10. Non-residential construction	5,092	5,120	5,304	5,496	5,253	5,384	5,788	5,760		
11. Machinery and equipment	5,708	5,800	6,180	5,988	5,919	6,020	6,436	6,516		
12. Value of physical change in inventories	432	692	216	- 852	122	424	- 380	44		
13. Government	- 8	4	12	- 60	- 13	- 48	- 28	- 84		
Business										
14. Non-farm(4)	608	536	760	- 652	313	132	- 540	228		
15. Farm and grain in commercial channels(5)	- 168	152	- 556	- 140	- 178	340	188	- 100		
16. Exports of goods and services(6)	21,132	21,096	20,780	20,868	20,969	21,764	22,048	22,500		
17. Deduct: Imports of goods and services(6)	-20,320	-20,140	-20,200	-18,672	- 19,833	- 20,776	- 21,584	-22,560		
18. Residual error of estimate	816	484	744	- 236	452	36	476	716		
19. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	82,684	83,824	84,988	86,376	84,468	88,372	91,392	93,676		
Detail of Farm Inventories and GICC:										
Value of grain crop production	972	972	972	976	973	1,356	1,356	1,356		
Depletions of farm stocks of grain	- 1,432	- 1,120	- 1,096	- 840	- 1,122	- 1,056	- 1,164	- 1,328		
Change in other farm-held inventories	232	424	- 204	236	172	100	252	116		
Grain in commercial channels	60	- 124	- 228	- 512	- 201	- 60	- 256	- 244		

(1) Includes defence expenditures. For amounts see line 44, Table 16.

(2) See footnote 2, Table 2.

(3) See footnote 3, Table 2.

(4) See footnote 4, Table 2.

(5) In the seasonally adjusted series, the value of grain crop production in each quarter is taken as one-fourth of the estimated value of crop production for the year as a whole (see footnote 4, Table 11). All other items in the farm inventories series are seasonally adjusted by standard techniques.

(6) See Revision Note after the text.

TABLE 13. Relation between Gross National Product at Market Prices and Gross Domestic Product at Factor Cost, by Quarters, 1970 and 1971
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. GROSS NATIONAL PRODUCT AT MARKET PRICES	82,684	83,824	84,988	86,376	84,468	88,372	91,392	93,676		
2. Deduct: Residual error of estimate	820	484	740	- 240	451	32	476	716		
3. Indirect taxes less subsidies	-11,152	-11,096	-11,420	-11,336	- 11,251	-11,996	-12,400	-12,568		
4. Income received from non-residents	- 1,004	- 1,036	- 1,176	- 1,080	- 1,074	- 1,044	- 948	- 1,060		
5. Add: Income paid to non-residents ..	2,456	2,224	2,360	2,240	2,320	2,296	2,256	2,356		
6. GROSS DOMESTIC PRODUCT AT FACTOR COST	73,804	74,400	75,492	75,960	74,914	77,660	80,776	83,120		

TABLE 14. Sources of Personal Income, by Quarters, 1968 and 1969
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	36,912	37,976	38,876	40,208	38,493	41,672	42,612	43,724	44,804	43,203
2. Military pay and allowances	828	808	864	940	860	840	920	884	948	898
3. Net income received by farm operators from farm production(1)	1,764	1,508	1,768	1,720	1,690	1,412	1,524	1,976	1,664	1,644
4. Net income of non-farm unincorporated business including rent	4,104	4,208	4,244	4,316	4,218	4,292	4,388	4,480	4,480	4,410
5. Interest, dividends, and miscellaneous investment income(2)	4,232	4,344	4,456	4,480	4,378	4,712	4,908	5,060	5,164	4,961
<u>Current transfers</u>										
6. From government	4,900	5,292	5,520	5,696	5,352	5,632	6,056	6,224	6,344	6,064
7. Transfer payments to persons	4,892	5,288	5,512	5,692	5,346	5,628	6,052	6,216	6,344	6,060
8. Capital assistance	8	4	8	4	6	4	4	8	-	4
9. From corporations(3)	128	128	124	128	127	124	128	128	128	127
10. From non-residents	92	96	96	96	95	88	92	92	92	91
11. PERSONAL INCOME	52,960	54,360	55,948	57,584	55,213	58,772	60,628	62,568	63,624	61,398

See footnote(s) below.

TABLE 14. Sources of Personal Income, by Quarters, 1970 and 1971
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Wages, salaries, and supplementary labour income	46,156	46,444	47,212	48,360	47,043	49,492	51,484	52,584		
2. Military pay and allowances	896	908	884	936	906	924	876	824		
3. Net income received by farm operators from farm production(1)	1,200	1,356	916	1,176	1,162	1,368	1,644	1,592		
4. Net income of non-farm unincorporated business including rent	4,488	4,484	4,564	4,668	4,551	4,764	4,892	5,064		
5. Interest, dividends, and miscellaneous investment income(2)	5,248	5,416	5,464	5,472	5,400	5,556	5,628	5,672		
<u>Current transfers</u>										
6. From government	6,472	6,588	7,068	7,100	6,807	7,488	7,488	8,052		
7. Transfer payments to persons	6,472	6,584	7,064	7,096	6,804	7,484	7,484	8,048		
8. Capital assistance	-	4	4	4	3	4	4	4		
9. From corporations(3)	128	136	136	136	134	136	136	136		
10. From non-residents	100	96	100	92	97	108	108	120		
11. PERSONAL INCOME	64,688	65,428	66,344	67,940	66,100	69,836	72,256	74,044		

(1) See footnote 1, Table 4.

(2) See footnote 2, Table 4.

(3) See footnote 3, Table 4.

TABLE 15. Disposition of Personal Income, by Quarters, 1968 and 1969
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	41,104	41,596	42,812	43,928	42,360	45,256	46,032	46,648	48,188	46,531
2. Durable goods	5,232	5,412	5,628	5,764	5,509	5,864	5,796	5,896	6,124	5,920
3. Semi-durable goods	4,452	4,504	4,612	4,700	4,567	4,940	5,060	4,888	5,080	4,992
4. Non-durable goods	16,080	16,108	16,532	17,052	16,443	17,384	17,648	17,936	18,756	17,931
5. Services(1)	15,340	15,572	16,040	16,412	15,841	17,068	17,528	17,928	18,228	17,688
<u>Current transfers</u>										
To government										
6. Income taxes	5,760	5,516	5,952	6,460	5,922	6,544	7,476	7,744	8,112	7,469
7. Succession duties and estate taxes	236	224	248	232	235	236	232	240	240	237
8. Employer and employee contributions to social insurance and government pension funds	2,068	1,980	2,052	2,260	2,090	2,340	2,356	2,376	2,292	2,341
9. Other	460	520	560	616	539	768	688	728	992	794
10. To corporations(2)	380	392	400	420	398	440	456	472	472	460
11. To non-residents	104	108	112	120	111	132	124	136	136	132
12. Personal saving	2,848	4,024	3,812	3,548	3,558	3,056	3,264	4,224	3,192	3,434
13. PERSONAL INCOME	52,960	54,360	55,948	57,584	55,213	58,772	60,628	62,568	63,624	61,398
14. (Personal disposable income) (13-6-7-8-9)	(44,436)	(46,120)	(47,136)	(48,016)	(46,427)	(48,884)	(49,876)	(51,480)	(51,988)	(50,557)

See footnote(s) below.

TABLE 15. Disposition of Personal Income, by Quarters, 1970 and 1971
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	48,008	48,580	49,312	50,080	48,995	50,956	53,100	54,168		
2. Durable goods	5,372	5,612	5,664	5,728	5,594	5,976	6,528	6,644		
3. Semi-durable goods	5,116	5,148	4,980	5,232	5,119	5,312	5,576	5,584		
4. Non-durable goods	19,156	19,136	19,560	19,788	19,410	20,000	20,984	21,316		
5. Services(1)	18,364	18,684	19,108	19,332	18,872	19,668	20,012	20,624		
<u>Current transfers</u>										
To government										
6. Income taxes	8,028	8,908	8,904	9,276	8,779	9,548	9,628	10,556		
7. Succession duties and estate taxes	240	256	296	236	257	280	276	248		
8. Employer and employee contributions to social insurance and government pension funds	2,408	2,416	2,404	2,452	2,420	2,400	2,412	2,460		
9. Other	1,004	1,032	1,084	1,076	1,049	1,068	1,092	1,116		
10. To corporations(2)	476	480	488	492	484	500	516	528		
11. To non-residents	132	144	136	152	141	160	172	192		
12. Personal saving	4,392	3,612	3,720	4,176	3,975	4,924	5,060	4,776		
13. PERSONAL INCOME	64,688	65,428	66,344	67,940	66,100	69,836	72,256	74,044		
14. (Personal disposable income) (13-6-7-8-9)	(53,008)	(52,816)	(53,656)	(54,900)	(53,595)	(56,540)	(58,848)	(59,664)		

(1) See footnote 1, Table 5.

(2) See footnote 2, Table 5.

TABLE 16. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarters
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
REVENUE										
1. Direct taxes - Persons	8,064	7,720	8,252	8,952	8,247	9,120	10,064	10,360	10,644	10,047
2. Federal(1)	4,976	4,792	5,068	5,592	5,107	5,820	6,516	6,708	6,960	6,501
3. Provincial	2,156	2,024	2,272	2,408	2,215	2,288	2,512	2,624	2,732	2,539
4. Local	-	-	-	-	-	-	-	-	-	-
5. Canada Pension Plan	688	664	692	700	686	736	760	760	696	738
6. Quebec Pension Plan	244	240	220	252	239	276	276	268	256	269
7. Direct taxes - Corporate and govern- ment business enterprises	2,616	2,680	2,860	3,080	2,809	3,184	3,096	2,968	3,032	3,070
8. Federal(2)	1,964	2,008	2,144	2,304	2,105	2,384	2,312	2,212	2,268	2,294
9. (Federal tax collections)(2)	(1,772)	(1,512)	(2,368)	(1,912)	(1,891)	(2,788)	(2,988)	(2,744)	(2,556)	(2,769)
10. Provincial(3)	652	672	716	776	704	800	784	756	764	776
11. (Provincial tax collections)	(688)	(620)	(720)	(704)	(683)	(944)	(888)	(912)	(864)	(902)
12. Direct taxes-Non-residents-Federal(4)	224	208	216	188	209	212	248	260	208	232
13. Indirect taxes	10,100	10,132	10,384	10,664	10,320	11,108	11,212	11,380	11,588	11,322
14. Federal	3,676	3,628	3,796	3,944	3,761	3,984	3,944	4,048	4,120	4,024
15. Provincial	3,324	3,404	3,476	3,600	3,451	3,704	3,844	3,900	4,036	3,871
16. Local(5)	3,100	3,100	3,112	3,120	3,108	3,420	3,424	3,432	3,432	3,427
17. Other current transfers from persons	460	520	560	616	539	768	688	728	992	794
18. Federal	4	4	4	4	4	4	4	4	4	4
19. Provincial	396	448	488	544	469	696	612	652	912	718
20. Local	60	64	64	64	63	68	68	68	72	69
21. Hospitals	-	4	4	4	3	-	4	4	4	3
22. Investment income	1,516	1,520	1,700	1,572	1,577	1,992	2,016	2,032	2,140	2,045
23. Federal	764	780	880	696	780	1,064	972	1,028	1,080	1,036
24. Provincial	596	580	660	708	636	748	816	800	788	788
25. Local	72	76	76	84	77	88	84	88	92	88
26. Hospitals	4	4	4	4	4	4	4	4	8	5
27. Canada Pension Plan	80	80	80	80	80	88	140	112	172	128
28. Current transfers from other levels of government	6,336	6,680	6,696	6,836	6,637	7,148	8,008	6,932	7,360	7,362
29. Provinces - From Canada	2,324	2,324	2,368	2,424	2,360	2,588	2,660	2,656	2,616	2,630
30. - From local governments	36	48	44	52	45	44	48	36	48	44
31. Local governments - From Canada	52	132	84	100	92	88	92	112	100	98
32. - From provinces	2,264	2,456	2,420	2,476	2,404	2,532	3,244	2,120	2,528	2,606
33. Hospitals - From provinces	1,640	1,700	1,760	1,760	1,715	1,876	1,940	1,984	2,044	1,961
34. - From local governments	20	20	20	24	21	20	24	24	24	23
35. Total revenue	29,316	29,460	30,668	31,908	30,338	33,532	35,332	34,660	35,964	34,872
36. Federal	11,608	11,420	12,108	12,728	11,966	13,468	13,996	14,260	14,640	14,091
37. Provincial	9,484	9,500	10,024	10,512	9,880	10,868	11,276	11,424	11,896	11,366
38. Local	5,548	5,828	5,756	5,844	5,744	6,196	6,912	5,820	6,224	6,288
39. Hospitals	1,664	1,728	1,788	1,792	1,743	1,900	1,972	2,016	2,080	1,992
40. Canada Pension Plan	768	744	772	780	766	824	900	872	868	866
41. Quebec Pension Plan	244	240	220	252	239	276	276	268	256	269
CURRENT EXPENDITURE										
42. Current expenditure on goods and services(6)	11,660	11,744	12,328	12,900	12,158	12,996	13,368	14,068	14,288	13,680
43. Federal	3,676	3,664	3,760	4,068	3,792	4,224	4,136	4,404	4,408	4,293
44. (Defence)	(1,760)	(1,836)	(1,756)	(1,896)	(1,812)	(1,820)	(1,740)	(1,840)	(1,824)	(1,806)
45. Provincial	2,412	2,384	2,664	2,780	2,560	2,448	2,668	2,760	3,068	2,736
46. Local	4,024	4,128	4,316	4,440	4,227	4,652	4,832	5,116	4,964	4,891
47. Hospitals	1,548	1,568	1,588	1,612	1,579	1,672	1,732	1,788	1,848	1,760
48. Transfer payments to persons	4,892	5,288	5,512	5,692	5,346	5,628	6,052	6,216	6,344	6,060
49. Federal	3,072	3,376	3,312	3,348	3,277	3,480	3,596	3,700	3,632	3,602
50. Provincial	1,720	1,804	2,068	2,220	1,953	2,012	2,304	2,352	2,540	2,302
51. Local	96	96	116	96	101	104	104	104	108	105
52. Canada Pension Plan	4	8	12	20	11	24	36	44	48	38
53. Quebec Pension Plan	-	4	4	8	4	8	12	16	16	13
54. Subsidies	584	620	684	684	643	652	688	688	672	675
55. Federal	476	492	528	576	518	544	576	564	556	560
56. Provincial	108	128	156	108	125	108	112	124	116	115

See footnote(s) at end of table.

TABLE 16. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarters
Seasonally Adjusted at Annual Rates - Continued
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
57. Capital Assistance	84	40	148	72	86	92	92	112	132	107
58. Federal	80	28	128	52	72	76	84	88	104	88
59. Provincial	4	12	20	20	14	16	8	24	28	19
60. Current transfers to Non-residents- Federal	140	152	200	188	170	156	188	188	204	184
61. Interest on the public debt	2,188	2,244	2,364	2,276	2,268	2,476	2,580	2,648	2,780	2,621
62. Federal(7)	1,308	1,420	1,488	1,420	1,409	1,460	1,592	1,588	1,716	1,589
63. Provincial	428	440	456	464	447	564	572	620	592	587
64. Local	452	384	420	392	412	452	416	440	472	445
65. Current transfers to other levels of government	6,336	6,680	6,696	6,836	6,637	7,148	8,008	6,932	7,360	7,362
66. Canada - To provinces	2,324	2,324	2,368	2,424	2,360	2,588	2,660	2,656	2,616	2,630
67. - To local governments	52	132	84	100	92	88	92	112	100	98
68. Provinces - To local governments ...	2,264	2,456	2,420	2,476	2,404	2,532	3,244	2,120	2,528	2,606
69. - To hospitals	1,640	1,700	1,760	1,760	1,715	1,876	1,940	1,984	2,044	1,961
70. Local governments - To provinces ...	36	48	44	52	45	44	48	36	48	44
71. - To hospitals ...	20	20	20	24	21	20	24	24	24	23
72. Total current expenditure(8)	25,884	26,768	27,932	28,648	27,308	29,148	30,976	30,852	31,780	30,689
73. Federal	11,128	11,588	11,868	12,176	11,690	12,616	12,924	13,300	13,336	13,044
74. Provincial	8,576	8,924	9,544	9,828	9,218	9,556	10,848	9,984	10,916	10,326
75. Local	4,628	4,676	4,916	5,004	4,806	5,272	5,424	5,720	5,616	5,508
76. Hospitals	1,548	1,568	1,588	1,612	1,579	1,672	1,732	1,788	1,848	1,750
77. Canada Pension Plan	4	8	12	20	11	24	36	44	48	38
78. Quebec Pension Plan	-	4	4	8	4	8	12	16	16	13
79. Saving (Total revenue less total current expenditure)	3,432	2,692	2,736	3,260	3,030	4,384	4,356	3,808	4,184	4,183
80. Federal	480	- 168	240	552	276	852	1,072	960	1,304	1,047
81. Provincial	908	576	480	684	662	1,312	428	1,440	980	1,040
82. Local	920	1,152	840	840	938	924	1,488	100	608	780
83. Hospitals	116	160	200	180	164	228	240	228	232	232
84. Canada Pension Plan	764	736	760	760	755	800	864	828	820	828
85. Quebec Pension Plan	244	236	216	244	235	268	264	252	240	256
<u>SURPLUS OR DEFICIT ON A NATIONAL ACCOUNTS BASIS</u>										
Saving as above:										
86. Add: Capital consumption allowances ..	956	976	1,000	1,020	988	1,044	1,072	1,096	1,120	1,083
87. Federal	184	188	192	200	191	200	208	212	216	209
88. Provincial	312	316	320	328	319	332	340	344	344	340
89. Local	380	388	400	404	393	424	432	444	460	440
90. Hospitals	80	84	88	88	85	88	92	96	100	94
91. Deduct: Gross capital formation	3,008	3,032	3,028	3,028	3,024	3,024	3,028	3,080	3,100	3,058
92. Federal	512	480	500	508	500	480	464	496	492	483
93. Provincial	1,012	924	948	948	958	1,068	960	1,008	1,064	1,025
94. Local	1,272	1,412	1,360	1,352	1,349	1,260	1,392	1,372	1,324	1,337
95. Hospitals	212	216	220	220	217	216	212	204	220	213
96. Equals: Surplus(+) or deficit(-)	1,380	636	708	1,252	994	2,404	2,400	1,824	2,204	2,208
97. Federal	152	- 460	- 68	244	-33	572	816	676	1,028	773
98. Provincial	208	-32	-148	64	23	576	- 192	776	260	355
99. Local	28	128	-120	-108	-18	88	528	- 828	- 256	- 117
100. Hospitals	-16	28	68	48	32	100	120	120	112	113
101. Canada Pension Plan	764	736	760	760	755	800	864	828	820	828
102. Quebec Pension Plan	244	236	216	244	235	268	264	252	240	256

See footnotes(s) at end of table.

TABLE 15. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarters
Seasonally Adjusted at Annual Rates - Continued
(millions of dollars)

	1970					1971				
	1	II	III	IV	Year	1	II	III	IV	Year
REVENUE										
1. Direct taxes - Persons	10,676	11,580	11,604	11,964	11,456	12,228	12,316	13,264		
2. Federal(1)	6,964	7,356	7,560	7,712	7,398	7,724	7,908	8,480		
3. Provincial	2,692	3,132	2,988	3,200	3,003	3,436	3,284	3,668		
4. Local	-	-	-	-	-	-	-	-		
5. Canada Pension Plan	760	804	724	804	773	820	824	800		
6. Quebec Pension Plan	260	288	332	248	282	248	300	316		
7. Direct taxes - Corporate and govern- ment business enterprises	2,952	2,908	2,920	2,636	2,854	2,780	3,120	3,272		
8. Federal(2)	2,208	2,196	2,192	1,972	2,142	2,072	2,324	2,412		
9. (Federal tax collections)(2)	(3,028)	(2,648)	(2,276)	(2,236)	(2,547)	(1,908)	(2,416)	(2,188)		
10. Provincial(3)	744	712	728	664	712	708	796	860		
11. (Provincial tax collections)	(980)	(840)	(876)	(744)	(860)	(788)	(832)	(864)		
12. Direct taxes-Non-residents-Federal(4)	304	244	244	276	267	248	268	244		
13. Indirect taxes	11,848	11,952	12,132	11,968	11,975	12,644	12,956	13,196		
14. Federal	3,972	3,960	4,172	4,028	4,033	4,184	4,380	4,548		
15. Provincial	4,092	4,204	4,164	4,140	4,150	4,372	4,480	4,548		
16. Local(5)	3,784	3,788	3,796	3,800	3,792	4,088	4,096	4,100		
17. Other current transfers from persons	1,004	1,032	1,084	1,076	1,049	1,068	1,092	1,116		
18. Federal	4	4	4	-	3	-	-	4		
19. Provincial	932	952	1,000	996	970	984	1,008	1,028		
20. Local	68	72	76	76	73	80	80	80		
21. Hospitals	-	4	4	4	3	-	4	4		
22. Investment income	2,320	2,356	2,604	2,536	2,454	2,500	2,588	2,760		
23. Federal	1,132	1,172	1,300	1,240	1,211	1,288	1,244	1,400		
24. Provincial	932	892	1,028	952	951	896	960	1,020		
25. Local	100	88	96	92	94	108	96	104		
26. Hospitals	4	4	4	8	5	4	4	4		
27. Canada Pension Plan	152	200	176	244	193	204	284	232		
28. Current transfers from other levels of government	8,660	8,816	8,884	9,280	8,910	9,892	9,724	10,836		
29. Provinces - From Canada	3,064	3,104	3,656	3,436	3,315	4,304	3,892	4,176		
30. - From local governments	44	28	48	60	45	28	24	40		
31. Local governments - From Canada	48	100	80	100	82	80	108	84		
32. - From provinces	3,208	3,348	2,764	3,336	3,164	3,096	3,364	4,024		
33. Hospitals - From provinces	2,272	2,212	2,312	2,324	2,280	2,360	2,312	2,484		
34. - From local governments	24	24	24	24	24	24	24	28		
35. Total revenue	37,764	38,888	39,472	39,736	38,965	41,360	42,064	44,688		
36. Federal	14,584	14,932	15,472	15,228	15,054	15,520	16,124	17,088		
37. Provincial	12,500	13,024	13,612	13,448	13,146	14,728	14,444	15,340		
38. Local	7,208	7,396	6,812	7,404	7,205	7,452	7,744	8,392		
39. Hospitals	2,300	2,244	2,344	2,360	2,312	2,388	2,344	2,520		
40. Canada Pension Plan	912	1,004	900	1,048	966	1,024	1,108	1,032		
41. Quebec Pension Plan	260	288	332	248	282	248	300	316		
CURRENT EXPENDITURE										
42. Current expenditure on goods and services(6)	15,024	15,708	15,968	16,508	15,802	17,164	17,620	18,244		
43. Federal	4,612	4,840	4,152	4,440	4,511	4,708	4,872	4,544		
44. (Defence)	(1,964)	(1,880)	(1,820)	(1,808)	(1,868)	(1,844)	(1,852)	(1,856)		
45. Provincial	3,276	3,412	4,092	4,208	3,747	4,320	4,376	4,912		
46. Local	5,244	5,520	5,744	5,836	5,586	6,060	6,244	6,608		
47. Hospitals	1,892	1,936	1,980	2,024	1,958	2,076	2,128	2,180		
48. Transfer payments to persons	6,472	6,584	7,064	7,096	6,804	7,484	7,484	8,048		
49. Federal	3,800	3,992	4,172	4,248	4,053	4,316	4,648	4,804		
50. Provincial	2,488	2,376	2,672	2,596	2,533	2,876	2,504	2,904		
51. Local	104	116	112	124	114	148	172	156		
52. Canada Pension Plan	60	76	80	96	78	108	120	140		
53. Quebec Pension Plan	20	24	28	32	26	36	40	44		
54. Subsidies	696	856	712	632	724	648	556	628		
55. Federal	588	716	560	508	593	480	400	448		
56. Provincial	108	140	152	124	131	168	156	180		

See footnote(s) at end of table.

TABLE 16. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarters
Seasonally Adjusted at Annual Rates - Concluded
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
57. Capital Assistance	148	136	108	104	124	248	148	200		
58. Federal	116	128	84	72	100	196	140	180		
59. Provincial	32	8	24	32	24	52	8	20		
60. Current transfers to Non-residents- Federal	224	168	316	268	244	248	164	252		
61. Interest on the public debt	2,940	2,976	3,080	3,124	3,030	3,100	3,216	3,372		
62. Federal(7)	1,824	1,864	1,812	1,944	1,861	1,904	1,916	2,028		
63. Provincial	620	620	784	692	679	696	748	852		
64. Local	496	492	484	488	490	500	552	492		
65. Current transfers to other levels of government	8,660	8,816	8,884	9,280	8,910	9,892	9,724	10,836		
66. Canada - To provinces	3,064	3,104	3,656	3,436	3,315	4,304	3,892	4,176		
67. - To local governments	48	100	80	100	82	80	108	84		
68. Provinces - To local governments ...	3,208	3,348	2,764	3,336	3,164	3,096	3,364	4,024		
69. - To hospitals	2,272	2,212	2,312	2,324	2,280	2,360	2,312	2,484		
70. Local governments - To provinces ...	44	28	48	60	45	28	24	40		
71. - To hospitals ...	24	24	24	24	24	24	24	28		
72. Total current expenditure(8)	34,164	35,244	36,132	37,012	35,638	38,784	38,912	41,580		
73. Federal	14,276	14,912	14,832	15,016	14,759	16,236	16,140	16,516		
74. Provincial	12,004	12,116	12,800	13,312	12,558	13,568	13,468	15,376		
75. Local	5,912	6,180	6,412	6,532	6,259	6,760	7,016	7,324		
76. Hospitals	1,892	1,936	1,980	2,024	1,958	2,076	2,128	2,180		
77. Canada Pension Plan	60	76	80	96	78	108	120	140		
78. Quebec Pension Plan	20	24	28	32	26	36	40	44		
79. Saving (total revenue less total current expenditure)	3,600	3,644	3,340	2,724	3,327	2,576	3,152	3,108		
80. Federal	308	20	640	212	295	- 716	- 16	572		
81. Provincial	496	908	812	136	588	1,160	976	- 36		
82. Local	1,296	1,216	400	872	946	692	728	1,068		
83. Hospitals	408	308	364	336	354	312	216	340		
84. Canada Pension Plan	852	928	820	952	888	916	988	892		
85. Quebec Pension Plan	240	264	304	216	256	212	260	272		
<u>SURPLUS OR DEFICIT ON A NATIONAL ACCOUNTS BASIS</u>										
Saving as above:										
86. Add: Capital consumption allowances ...	1,148	1,176	1,204	1,232	1,190	1,260	1,292	1,324		
87. Federal	220	228	232	240	230	248	256	264		
88. Provincial	352	360	364	368	361	372	376	380		
89. Local	476	484	500	516	494	532	548	564		
90. Hospitals	100	104	108	108	105	108	112	116		
91. Deduct: Gross capital formation	3,164	3,208	3,288	3,296	3,239	3,352	3,632	3,572		
92. Federal	508	532	596	512	537	536	660	596		
93. Provincial	1,068	1,056	1,068	1,056	1,062	1,108	1,256	1,200		
94. Local	1,364	1,400	1,408	1,508	1,420	1,484	1,496	1,544		
95. Hospitals	224	220	216	220	220	224	220	232		
96. Equals: Surplus(+) or deficit(-)	1,584	1,612	1,256	660	1,278	484	812	860		
97. Federal	20	- 284	276	- 60	- 12	1,004	- 420	240		
98. Provincial	- 220	212	108	- 552	- 113	424	96	- 856		
99. Local	408	300	- 508	- 120	20	260	- 220	88		
100. Hospitals	284	192	256	224	239	196	108	224		
101. Canada Pension Plan	852	928	820	952	888	916	988	892		
102. Quebec Pension Plan	240	264	304	216	256	212	260	272		

(1) See footnote 1, Table 6.

(2) See footnote 2, Table 6.

(3) See footnote 3, Table 6.

(4) See footnote 4, Table 6.

(5) 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 a fictitious seasonal between the fourth and first quarters in the seasonally adjusted taxes series.

(6) Includes capital consumption allowances as shown in line 86.

(7) See footnote 6, Table 6.

(8) See footnote 6, Table 6.

TABLE 17. Transactions of Residents with Non-residents in the National Income and Expenditure Accounts, by Quarters, 1968 and 1969
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Exports of goods and services	16,032	16,572	16,808	17,464	16,719	18,312	18,048	18,104	19,408	18,468
2. Merchandise	12,960	13,392	13,556	14,240	13,537	14,872	14,456	14,548	15,620	14,874
3. Non-merchandise	3,072	3,180	3,252	3,224	3,182	3,440	3,592	3,556	3,788	3,594
4. Deduct: Imports of goods and services	-16,608	-16,400	-16,972	-18,060	-17,010	-19,144	-19,120	-19,396	-20,080	-19,435
5. Merchandise	-11,860	-11,648	-12,032	-13,108	-12,162	-13,932	-13,688	-13,872	-14,456	-13,987
6. Non-merchandise	-4,748	-4,752	-4,940	-4,952	-4,848	-5,212	-5,432	-5,524	-5,624	-5,448
7. Add: Net current transfers abroad	72	44	-	-24	23	12	28	28	-40	7
8. Current transfers abroad (-)(1)	-244	-260	-312	-308	-281	-288	-312	-324	-340	-316
9. Current transfers from abroad(+)(2) ..	316	304	312	284	304	300	340	352	300	323
10. Equals: Saving(3)	-504	216	-164	-620	-268	-820	-1,044	-1,264	-712	-960
Reconciliation with the Canadian Balance of International Payments:										
Saving as above	-504	216	-164	-620	-268	-820	-1,044	-1,264	-712	-960
Add: Net inheritances and migrants' funds	84	140	244	176	161	160	168	148	200	169
Equals: Surplus(+) or deficit(-) on current account as per "Canadian Balance of International Payments" (4)	-420	356	80	-444	-107	-660	-876	-1,116	-512	-791

See footnote(4) below.

TABLE 17. Transactions of Residents with Non-residents in the National Income and Expenditure Accounts, by Quarters, 1970 and 1971
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Exports of goods and services	21,132	21,096	20,780	20,868	20,969	21,764	22,048	22,500		
2. Merchandise	17,100	17,048	16,648	16,716	16,878	17,400	17,760	18,088		
3. Non-merchandise	4,032	4,048	4,132	4,152	4,091	4,364	4,288	4,412		
4. Deduct: Imports of goods and services	-20,320	-20,140	-20,200	-18,672	-19,833	-20,776	-21,584	-22,560		
5. Merchandise	-14,240	-14,332	-14,032	-12,732	-13,834	-14,468	-15,340	-15,880		
6. Non-merchandise	-6,080	-5,808	-6,168	-5,940	-5,999	-6,308	-6,244	-6,680		
7. Add: Net current transfers abroad	48	28	-108	-52	-21	-52	40	-80		
8. Current transfers to abroad(-)(1) ..	-356	-312	-452	-420	-385	-408	-336	-444		
9. Current transfers from abroad(+)(2) ..	404	340	344	368	364	356	376	364		
10. Equals: Saving(3)	860	984	472	2,144	1,115	936	504	-140		
Reconciliation with the Canadian Balance of International Payments:										
Saving as above	860	984	472	2,144	1,115	936	504	-140		
Add: Net inheritances and migrants' funds	196	152	184	124	164	308	192	144		
Equals: Surplus(+) or deficit(-) on current account as per "Canadian Balance of International Payments" (4)	1,056	1,136	656	2,268	1,279	1,244	696	4		

(1) See footnote 1, Table 7.

(2) See footnote 2, Table 7.

(3) Saving of residents on transactions with non-residents in the national income and expenditure accounts. A negative figure indicates savings made available to the economy by non-residents (see line 8, Table 18).

(4) See footnote(4) Table 7.

TABLE 18. Sources of Gross Saving, by Quarters, 1968 and 1969
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
Saving										
Persons and unincorporated business										
1. Personal saving	2,848	4,024	3,812	3,548	3,558	3,056	3,264	4,224	3,192	3,434
2. Adjustment on grain transaction(1)	-228	-252	-252	-144	-219	128	28	-12	60	51
Corporate and government business enterprises										
3. Undistributed corporation profits	2,412	2,640	2,784	2,988	2,706	3,088	2,992	2,668	2,504	2,813
4. Undistributed profits of government business enterprises	164	240	252	364	255	244	280	320	300	286
5. Capital assistance	76	36	140	68	80	88	88	104	132	103
6. Inventory valuation adjustment	-352	-196	-272	-448	-317	-536	-616	-460	-584	-549
7. Government	3,432	2,692	2,736	3,260	3,030	4,384	4,356	3,808	4,184	4,183
8. Non-residents	504	-216	164	620	268	820	1,044	1,264	712	960
9. Capital consumption allowances and miscellaneous valuation adjustments	8,168	8,416	8,488	8,572	8,411	8,796	8,872	9,200	9,396	9,066
10. Residual error of estimate	-312	-664	-548	-920	-611	-1,044	-1,184	-1,200	-696	-1,031
11. Total	16,712	16,720	17,304	17,908	17,161	19,024	19,124	19,916	19,200	19,316

See footnote(s) below.

TABLE 18. Sources of Gross Saving, by Quarters, 1970 and 1971
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
Saving										
Persons and unincorporated business										
1. Personal saving	4,392	3,612	3,720	4,176	3,975	4,924	5,060	4,776		
2. Adjustment on grain transactions(1)	180	180	200	268	207	180	132	220		
Corporate and government enterprises										
3. Undistributed corporation profits	2,572	2,404	2,604	2,156	2,434	2,452	2,860	3,480		
4. Undistributed profits of government business enterprises	276	340	376	248	310	308	440	484		
5. Capital assistance	148	132	104	100	121	244	144	196		
6. Inventory valuation adjustment	-380	-188	-84	-32	-171	-544	-696	-632		
7. Government	3,600	3,644	3,340	2,724	3,327	2,576	3,152	3,108		
8. Non-residents	-860	-984	-472	-2,144	-1,115	-936	-504	140		
9. Capital consumption allowances and miscellaneous valuation adjustments	9,732	9,924	10,080	9,856	9,898	10,092	10,096	10,268		
10. Residual error of estimate	-820	-484	-740	240	-451	-32	-476	-716		
11. Total	18,840	18,580	19,128	17,592	18,535	19,264	20,208	21,324		

(1) See footnote 1, Table 8.

TABLE 19. Disposition of Gross Saving, by Quarters, 1968 and 1969
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Total gross fixed capital formation(1)	15,744	15,548	15,744	16,200	15,809	16,804	17,092	17,368	17,704	17,242
2. Residential construction	3,032	3,212	3,224	3,600	3,267	3,788	3,960	3,904	3,768	3,855
3. Non-residential construction	7,124	7,144	7,136	7,172	7,144	7,368	7,316	7,484	7,748	7,479
4. Machinery and equipment	5,588	5,192	5,384	5,428	5,398	5,648	5,816	5,980	6,188	5,908
5. Value of physical change in inventories	656	508	1,016	784	741	1,180	848	1,348	796	1,043
6. Residual error of estimate	312	664	544	924	611	1,040	1,184	1,200	700	1,031
7. Total	16,712	16,720	17,304	17,908	17,161	19,024	19,124	19,916	19,200	19,316

See footnote(s) below.

TABLE 19. Disposition of Gross Saving, by Quarters, 1970 and 1971
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Total gross fixed capital formation(1)	17,592	17,404	18,168	18,680	17,961	18,804	20,112	20,564		
2. Residential construction	3,640	3,304	3,432	3,856	3,558	4,020	4,244	4,672		
3. Non-residential construction	7,936	7,984	8,220	8,500	8,160	8,408	9,040	8,996		
4. Machinery and equipment	6,016	6,116	6,516	6,324	6,243	6,376	6,828	6,896		
5. Value of physical change in inventories	432	692	216	-852	122	424	-380	44		
6. Residual error of estimate	816	484	744	-236	452	36	476	716		
7. Total	18,840	18,580	19,128	17,592	18,535	19,264	20,208	21,324		

(1) See footnote 1, Table 12.

TABLE 20. Gross National Expenditure in Constant (1961) Dollars, by Quarters 1968 and 1969(1)
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	35,240	35,368	36,124	36,680	35,853	37,384	37,552	37,720	38,732	37,847
2. Durable goods	4,988	5,156	5,348	5,456	5,237	5,548	5,444	5,544	5,720	5,564
3. Semi-durable goods	3,752	3,764	3,844	3,876	3,809	4,044	4,096	3,928	4,076	4,036
4. Non-durable goods	13,936	13,832	14,108	14,412	14,072	14,672	14,680	14,816	15,416	14,896
5. Services	12,564	12,616	12,824	12,936	12,735	13,120	13,332	13,432	13,520	13,351
6. Government current expenditure on goods and services	8,472	8,404	8,584	8,696	8,539	8,804	8,656	8,904	8,900	8,816
7. Gross fixed capital formation	13,268	12,968	13,088	13,384	13,177	13,592	13,716	13,796	13,968	13,768
8. Government	2,476	2,452	2,448	2,456	2,458	2,380	2,440	2,420	2,428	2,417
9. Residential construction	8	8	12	12	10	8	8	12	8	9
10. Non-residential construction	2,112	2,084	2,092	2,104	2,098	2,076	2,120	2,100	2,136	2,108
11. Machinery and equipment	356	360	344	340	350	296	312	308	284	300
12. Business	10,792	10,516	10,640	10,928	10,719	11,212	11,276	11,376	11,540	11,351
13. Residential construction	2,388	2,492	2,468	2,724	2,518	2,808	2,880	2,856	2,760	2,826
14. Non-residential construction	3,808	3,784	3,768	3,768	3,782	3,772	3,688	3,712	3,780	3,735
15. Machinery and equipment	4,596	4,240	4,404	4,436	4,419	4,632	4,708	4,808	5,000	4,787
16. Value of physical change in inventories	356	468	832	788	611	1,028	548	1,284	780	910
17. Government	16	12	32	32	23	8	4	8	- 8	3
Business										
18. Non-farm	288	436	716	484	481	860	200	312	452	456
19. Farm and grain in commercial channels	52	20	84	272	107	160	344	964	336	451
20. Exports of goods and services(2)	13,904	14,384	14,576	15,164	14,507	15,704	15,296	15,340	16,348	15,672
21. (of which: merchandise)	(11,500)	(11,924)	(12,072)	(12,724)	(12,055)	(13,116)	(12,624)	(12,740)	(13,612)	(13,023)
22. Deduct: Imports of goods and services(2)	-14,644	-14,420	-14,912	-15,748	-14,931	-16,656	-16,444	-16,440	-16,892	-16,608
23. (of which: merchandise)	(10,852)	(10,628)	(11,020)	(11,900)	(11,100)	(12,540)	(12,220)	(12,156)	(12,576)	(12,373)
24. Residual error of estimate	260	552	448	752	503	828	932	932	544	809
25. GROSS NATIONAL EXPENDITURE IN CONSTANT (1961) DOLLARS	56,856	57,724	58,740	59,716	58,259	60,684	60,256	61,536	62,380	61,214

(1) See footnote 1, Table 10.

(2) See footnote 2, Table 10.

TABLE 20. Gross National Expenditure in Constant (1961) Dollars, by Quarters, 1970 and 1971(1)
Seasonally Adjusted at Annual Rates
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	37,984	38,280	38,776	39,400	38,610	39,896	41,084	41,576		
2. Durable goods	4,908	5,128	5,176	5,232	5,111	5,408	5,888	5,976		
3. Semi-durable goods	4,088	4,096	3,952	4,148	4,071	4,240	4,416	4,376		
4. Non-durable goods	15,552	15,472	15,892	16,240	15,789	16,376	16,808	16,960		
5. Services	13,436	13,584	13,756	13,780	13,639	13,872	13,972	14,264		
6. Government current expenditure on goods and services	9,508	9,648	9,628	9,860	9,661	10,088	10,108	10,512		
7. Gross fixed capital formation	13,736	13,560	14,092	14,312	13,925	14,276	15,060	15,132		
8. Government	2,444	2,480	2,516	2,560	2,500	2,548	2,704	2,676		
9. Residential construction	16	16	16	12	15	12	12	28		
10. Non-residential construction	2,156	2,188	2,208	2,260	2,203	2,232	2,360	2,328		
11. Machinery and equipment	272	276	292	288	282	304	332	320		
12. Business	11,292	11,080	11,576	11,752	11,425	11,728	12,356	12,456		
13. Residential construction	2,628	2,352	2,416	2,676	2,518	2,764	2,900	3,084		
14. Non-residential construction	3,856	3,880	3,980	4,072	3,947	3,964	4,168	4,072		
15. Machinery and equipment	4,808	4,848	5,180	5,004	4,960	5,000	5,288	5,300		
16. Value of physical change in inventories	132	472	92	- 528	42	308	- 372	- 112		
17. Government	- 4	- 4	-	- 52	- 15	-36	-24	-80		
Business										
18. Non-farm	372	604	524	- 460	260	64	- 380	108		
19. Farm and grain in commercial channels	- 236	- 128	- 432	- 16	- 203	280	32	- 140		
20. Exports of goods and services(2)	17,428	17,324	17,044	17,108	17,226	18,000	18,208	18,276		
21. (of which: merchandise)	(14,540)	(14,448)	(14,120)	(14,188)	(14,324)	(15,012)	(15,336)	(15,356)		
22. Deduct: Imports of goods and services(2)	-16,976	-16,744	-16,932	-15,744	-16,599	-17,400	-17,872	-18,264		
(of which: merchandise)	(12,384)	(12,420)	(12,316)	(11,348)	(12,117)	(12,760)	(13,340)	(13,504)		
24. Residual error of estimate	628	368	564	- 180	345	28	344	520		
25. GROSS NATIONAL EXPENDITURE IN CONSTANT (1961) DOLLARS	62,440	62,908	63,264	64,228	63,210	65,196	66,560	67,640		

(1) See footnote 1, Table 10.

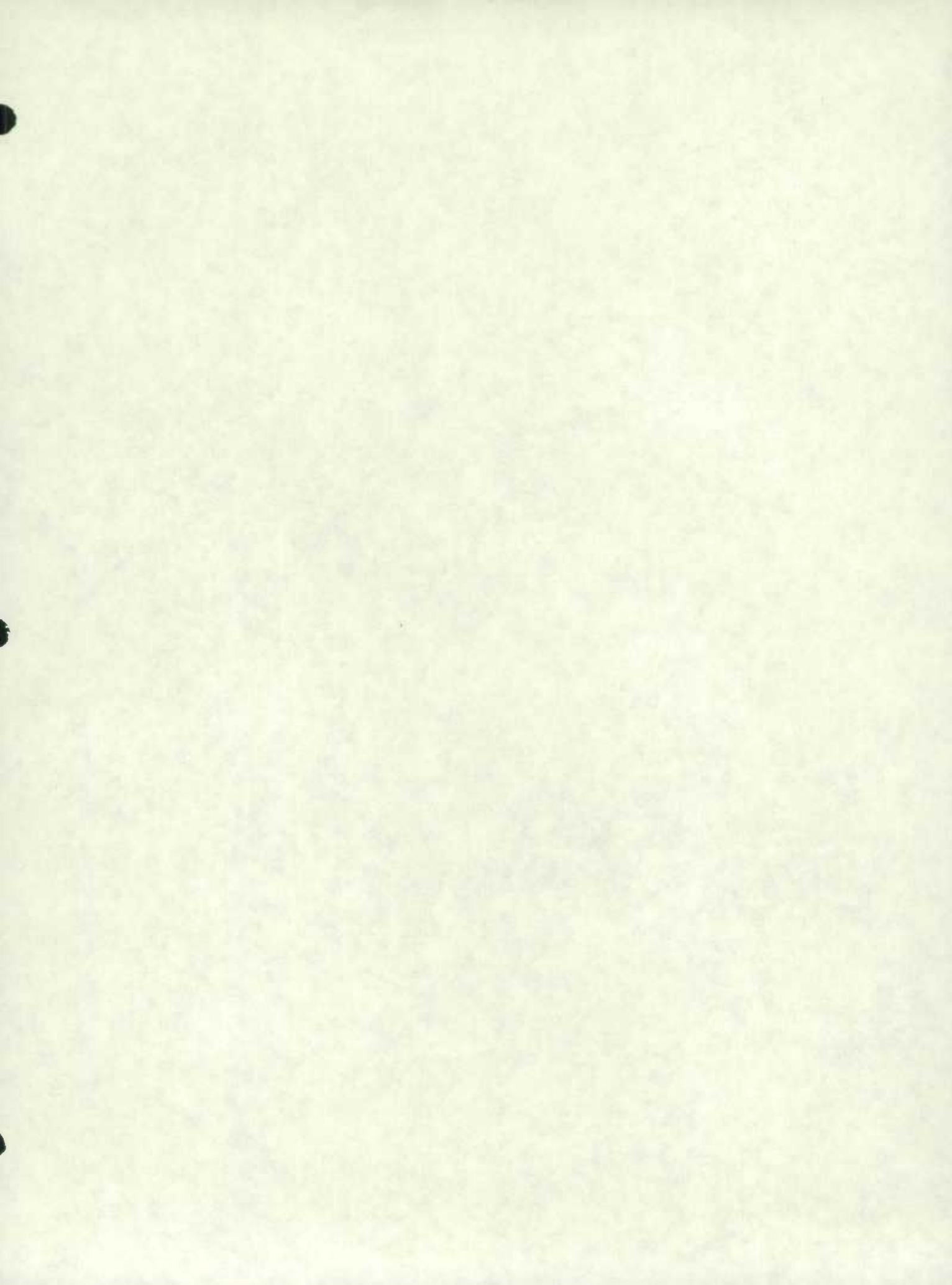
(2) See footnote 2, Table 10.

TABLE 21. Implicit Price Indexes, Gross National Expenditure, by Quarters, 1968 and 1969
Using Seasonally Adjusted Data
1961 = 100.0

	1968					1969				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	116.6	117.6	118.5	119.8	118.1	121.1	122.6	123.7	124.4	122.9
2. Durable goods	104.9	105.0	105.2	105.6	105.2	105.7	106.5	106.3	107.1	106.4
3. Semi-durable goods	118.7	119.7	120.0	121.3	119.9	122.2	123.5	124.4	124.6	123.7
4. Non-durable goods	115.4	116.5	117.2	118.3	116.8	118.5	120.2	121.1	121.7	120.4
5. Services	122.1	123.4	125.1	126.9	124.4	130.1	131.5	133.5	134.8	132.5
6. Government current expenditure on goods and services	137.6	139.7	143.6	148.3	142.4	147.6	154.4	158.0	160.5	155.2
7. Gross fixed capital formation	118.7	119.9	120.3	121.0	120.0	123.6	124.6	125.9	126.7	125.2
8. Government	120.7	122.8	122.1	121.8	121.8	126.6	123.4	126.8	128.3	126.3
9. Non-residential construction	122.7	125.1	124.3	124.0	124.0	129.1	125.1	129.0	130.3	128.4
10. Machinery and equipment	109.0	108.9	108.1	108.2	108.6	109.5	111.5	111.7	112.7	111.3
11. Business	118.2	119.2	119.9	120.9	119.5	123.0	124.9	125.7	126.4	125.0
12. Residential construction	126.6	128.4	130.0	131.6	129.2	134.6	137.1	136.1	136.1	136.0
13. Non-residential construction	119.0	119.9	120.4	121.1	120.1	124.3	126.5	128.7	131.3	127.7
14. Machinery and equipment	113.1	113.2	113.8	114.1	113.6	114.9	116.1	117.2	117.4	116.4
15. Exports of goods and services	115.3	115.2	115.3	115.2	115.2	116.6	118.0	118.0	118.7	117.8
16. (of which: merchandise)	112.7	112.3	112.3	111.9	112.3	113.4	114.5	114.2	114.8	114.2
17. Deduct: Imports of goods and services	113.4	113.7	113.8	114.7	113.9	114.9	116.3	118.0	118.9	117.0
18. (of which: merchandise)	109.3	109.6	109.2	110.2	109.6	111.1	112.0	114.1	114.9	113.0
19. GROSS NATIONAL EXPENDITURE	121.2	121.7	123.1	124.2	122.5	126.0	128.5	128.9	129.9	128.3

TABLE 21. Implicit Price Indexes, Gross National Expenditure, by Quarters, 1970 and 1971
Using Seasonally Adjusted Data
1961 = 100.0

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
1. Personal expenditure on consumer goods and services	126.4	126.9	127.2	127.1	126.9	127.7	129.2	130.3		
2. Durable goods	109.5	109.4	109.4	109.5	109.5	110.5	110.9	111.2		
3. Semi-durable goods	125.1	125.7	126.0	126.1	125.7	125.3	126.3	127.6		
4. Non-durable goods	123.2	123.7	123.1	121.8	122.9	122.1	124.8	125.7		
5. Services	136.7	137.5	138.9	140.3	138.4	141.8	143.2	144.6		
6. Government current expenditure on goods and services	158.0	162.8	165.8	167.4	163.6	170.1	174.3	173.6		
7. Gross fixed capital formation	128.1	128.3	128.9	130.5	129.0	131.7	133.5	135.9		
8. Government	129.8	129.2	130.2	131.1	130.1	133.4	135.4	136.6		
9. Non-residential construction	131.9	130.9	132.1	132.9	132.0	135.5	137.8	139.0		
10. Machinery and equipment	113.2	114.5	115.1	116.7	114.9	117.1	118.1	118.7		
11. Business	127.7	128.2	128.6	130.4	128.7	131.3	133.1	135.7		
12. Residential construction	137.7	139.5	141.1	143.5	140.5	144.7	145.8	150.2		
13. Non-residential construction	132.1	132.0	133.3	135.0	133.1	135.8	138.9	141.5		
14. Machinery and equipment	118.7	119.6	119.3	119.7	119.3	120.4	121.7	122.9		
15. Exports of goods and services	121.3	121.8	121.9	122.0	121.7	120.9	121.1	123.1		
16. (of which: merchandise)	117.6	118.0	117.9	117.8	117.8	115.9	115.8	117.8		
17. Deduct: Imports of goods and services	119.7	120.3	119.3	118.6	119.5	119.4	120.8	123.5		
18. (of which: merchandise)	115.0	115.4	113.9	112.2	114.2	113.4	115.0	117.6		
19. GROSS NATIONAL EXPENDITURE	132.4	133.2	134.3	134.5	133.6	135.5	137.3	138.5		



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