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SYSTEM OF NATIONAL ACCOUNTS

National income and expenditure accounts

FOURTH QUARTER AND
PRELIMINARY ANNUAL 1971

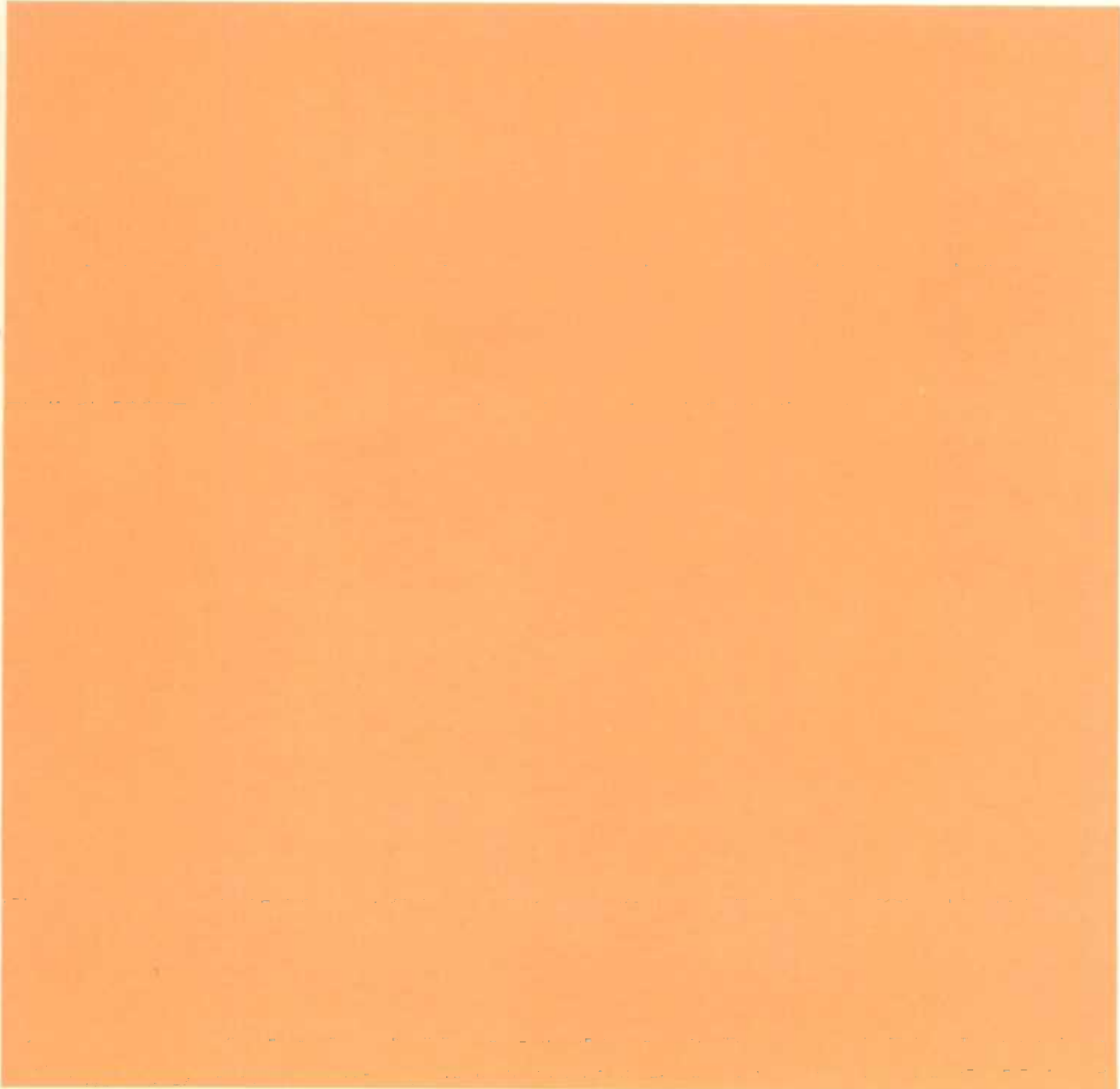
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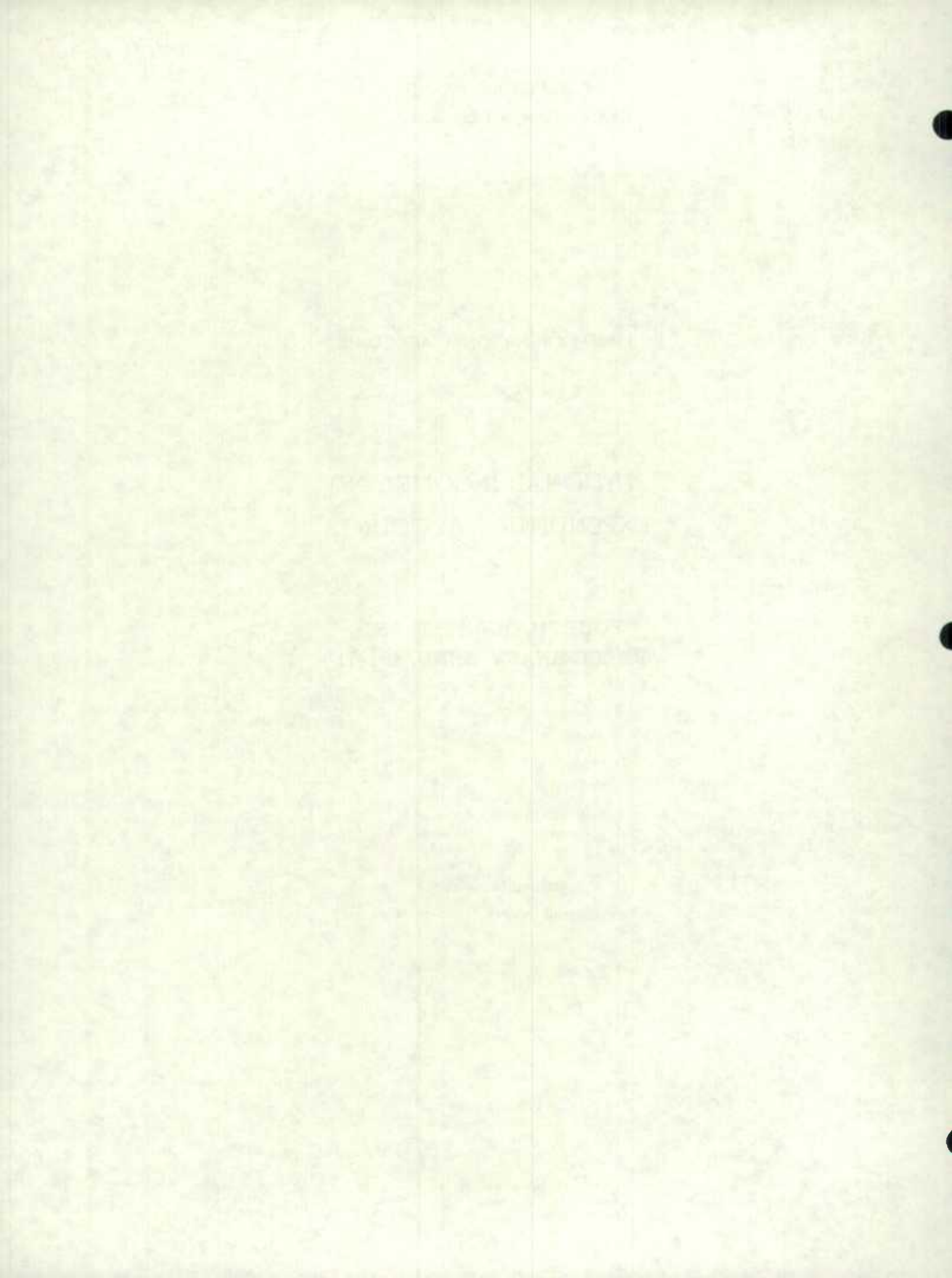
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THE SYSTEM OF NATIONAL ACCOUNTS

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.

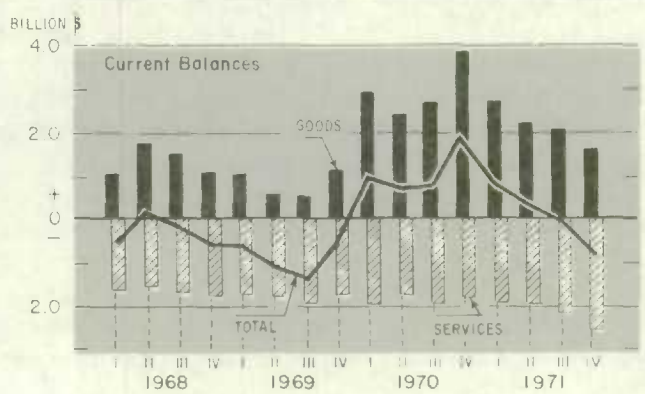
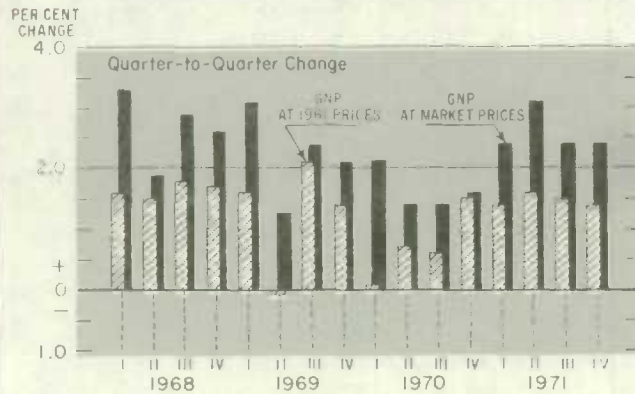
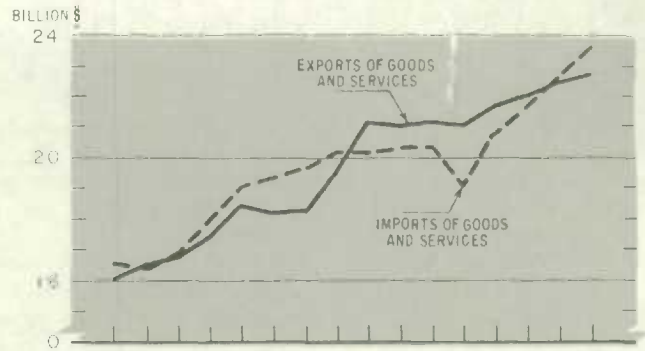
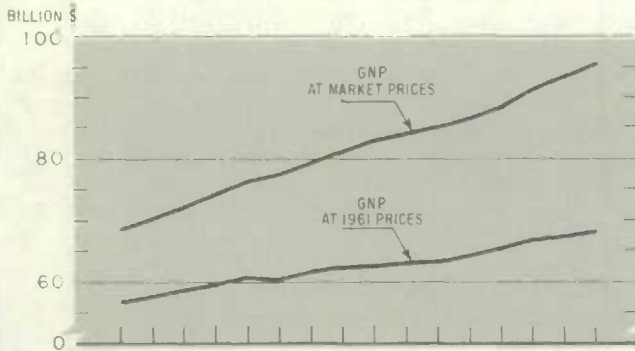
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National Income and Expenditure Accounts, 4th Quarter 1971

During 1971, GNP at current prices rose 9.1 per cent against 7.5 per cent in 1970. In real terms, the rates were 5.4 and 3.3 per cent, respectively.

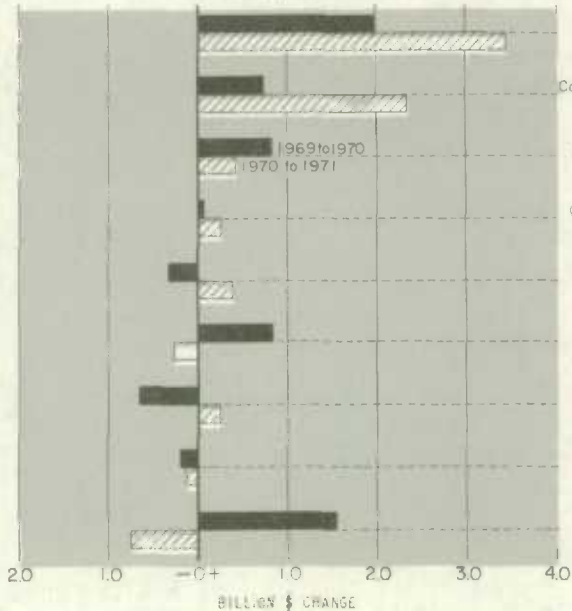
Both merchandise and non-merchandise imports accelerated faster than exports, thus bringing the 1970 surplus to a much lower level in 1971.



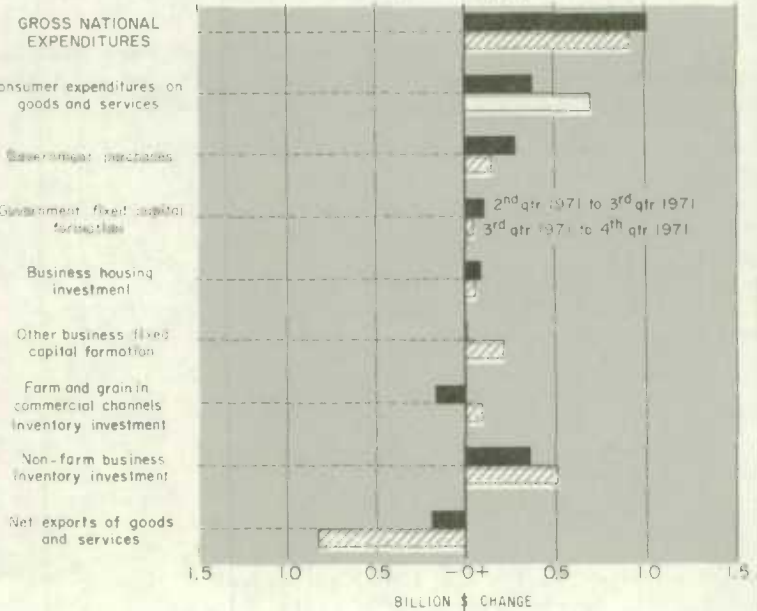
In real terms, consumer expenditures, government purchases and business investment in housing were the components responsible for most of the GNE increase in 1971.

GNE increased by 920 million constant 1961 dollars in the fourth quarter of 1971, with most of the gain being in consumer spending, non-farm business inventory investment and business gross fixed capital.

ANNUAL CHANGES IN GNE AND COMPONENTS
in constant (1961) dollars



QUARTERLY CHANGES IN GNE AND COMPONENTS
in constant (1961) dollars



ALL DATA SEASONALLY ADJUSTED AT ANNUAL RATES.

ANNUAL REVIEW 1971

The preliminary estimates of income and expenditure for the fourth quarter of 1971 ^{1/}, and revised estimates for earlier quarters of the year confirm previous evidence of a strong resurgence of economic activity. The recovery, which started in the fourth quarter of 1970, appears to have been maintained at a remarkably even tempo throughout 1971, with volume increases in national production of around 1 1/2 per cent in each quarter.

Gross National Product rose by 9.1 per cent in current dollars in 1971, compared with 7.5 per cent in 1970, reaching a level of \$92.1 billion. This advance was accompanied by further deceleration in the implicit price index which rose by 3.4 per cent in 1971 compared with 4.1 per cent in 1970 and 4.7 per cent in 1969. After removing the effect of prices, real growth amounted to 5.4 per cent in 1971 ^{2/} - the largest annual volume gain since 1966 and in sharp contrast to the increase of only 3.3 per cent in 1970. The current strength of the economy would be more clearly revealed by an examination of rates of growth since the beginning of the recovery period. Since the fourth quarter of 1970 alone, GNP rose by 10 1/2 per cent, with a corresponding volume increase of 6 per cent.

Domestic demand was the major source of growth in 1971, in contrast to 1970 when the external sector provided most of the stimulus. Consumer spending, especially on durable goods, accelerated sharply year over year, as did expenditures on housing construction, while current expenditures by governments continued to be one of the fastest growing elements of demand. Business fixed investment in plant and equipment rose less rapidly in 1971, while investment in business non-farm inventories did not contribute to growth in the year. It should be noted, however, that some acceleration in inventory investment appeared to take place at the end of the year.

The income side of the Accounts gives a somewhat stronger picture of economic performance in 1971 than the expenditure side. Several categories of income displayed remarkable growth during 1971, in particular corporation profits rising by about 16 per cent compared with a 6 per cent decline in 1970; accrued net income of farm operators increasing by 26.4 per cent against a decline of 19.2 per cent in 1970; and net income of non-farm unincorporated business rising by 7.7 per cent against 3.2 per cent in the previous year. Labour income which constitutes by far the largest category of income rose by some 10 per cent in 1971 against about 9 per cent in 1970.

Against the background of strong economic expansion in 1971, the rate of unemployment remained above 6 per cent during 1971, a level which had been reached as early as the second quarter of 1970. Although the number of persons employed showed a relatively large increase in 1971, rising by 2.5 per cent compared with 1.3 per cent in 1970, the strong growth in the labour force of 3.1 per cent was not fully absorbed.

Consumer Goods and Services

Consumer spending on goods and services increased by 8.5 per cent in 1971 compared with 5.3 per cent in 1970. This represented a return to the rates of growth ranging between 8 per cent and 10 per cent which had prevailed since the mid-sixties.

In 1971 a very large increase of 15.7 per cent was recorded in purchases of durable goods. Expenditures on semi-durables also accelerated but to a lesser extent - 7.3 per cent over 1970. Purchases of non-durable goods rose by 7.7 per cent in 1971 compared with 8.2 per cent in 1970. A growth of 7.6 per cent in spending on services represented a modest acceleration over 1970 but was a slower rate than that experienced in the years immediately preceding 1970.

Purchases of new motor vehicles rose by about 27 per cent in 1971 and accounted for more than half the growth of spending on consumer durable goods. This high level of purchases in part reflected the effects of the strikes in the fourth quarter of 1970 and to some extent expectations of price increases. Among other categories of durable goods which also showed strong acceleration, in line with the high level of new residential construction, purchases of home appliances rose 17 per cent, and furniture 11 per cent. Recreation equipment also rose sharply, by 14 per cent.

Within semi-durable goods, purchases of women's clothing recorded the largest increase at 9.1 per cent in 1971 against 1.8 per cent in 1970. This increase represents almost half the increase in semi-durable goods. Spending on such goods as home furnishings, textiles and dinnerware, also contributed largely to the overall increase.

^{1/} Revised estimates for 1970 are not yet complete. Revisions to recently published estimates will be effected at the time of the next report.

^{2/} The publication for the third quarter of 1971 suggested the possibility of a somewhat higher growth rate for the year. Newly available information has led to revisions in a number of components.

Among non-durable goods, expenditures on food, alcoholic beverages, tobacco, and utilities rose somewhat more slowly than in 1970, while purchases of household supplies and miscellaneous goods accelerated.

Spending on personal services at a rate of increase of 7.6 per cent in 1971 is modest compared with recent years, due in part to the extension of Medicare to all provinces, which had the effect of transferring most of the spending on health services from the consumer to the government sector.

Government Current Expenditure on Goods and Services

Current expenditures of governments on goods and services grew in 1971 at 12.1 per cent, a rapid but slightly slower rate of growth than in the previous year when they rose by 15.5 per cent. These expenditures contributed strongly to the rate of growth of GNE in 1971. Provincial governments expenditure rose by 18 per cent while municipal spending increased by 14 per cent. The rate of increase of expenditure by the Federal Government rose to 5.9 per cent, slightly higher than 5.1 per cent recorded in 1970. At the federal and municipal levels of government, increases in wages and salaries account for most of the gains, while at the provincial level expenditures under Medicare contributed more to the increase than did the growth of wages and salaries.

Gross Fixed Capital Formation

Investment in capital goods contributed substantially to the growth of GNP in 1971, more so than it had in 1970. The rate of increase was 11.3 per cent compared to 4.2 per cent in 1970, owing to a large extent to the very substantial increase in spending on new housing, which rose by almost 23 per cent, following a decline of 8 per cent in the previous year. Dwelling starts, supported by easier financing conditions, reached a record high at almost 234,000 units. Government outlays on fixed capital formation also rose strongly in 1971, by 16.2 per cent.

The increase in business investment in plant and equipment of \$687 million was largely concentrated in non-residential construction, which rose by \$514 million, or 9.8 per cent. By contrast, spending on machinery and equipment rose by only 2.9 per cent in 1971. By industry, a decline in business fixed investment was observed in the manufacturing industries. This decline was only partially offset by the increased outlays shown by utilities. These two sectors normally constitute the largest portion of the investment programme. The agricultural sector, the mining industries as well as governments showed a rather strong increase while other industries experienced relatively less change.

Investment in Inventories

There was little change in investment in inventories during 1971 as a whole. Accumulation of inventories totalled \$151 million compared to \$122 million in 1970 and a sizable \$1,043 million in 1969. Accumulation occurred in both the farm and the non-farm sectors. In 1970, more than half the accumulation of \$313 million in non-farm business inventories had been offset by decumulation in farm inventories. The swing of \$236 million in the latter to an accumulation of \$58 million in 1971 is mainly due to a substantial increase in grain production.

Investment in non-farm business inventories in 1971 remained relatively low at \$125 million compared to \$313 million in 1970, \$534 million in 1969 and \$473 million in 1968. In 1971, a strong accumulation of inventories at the retail level was accompanied by reductions at the wholesale level and in the manufacturing industries. In the preceding year most industries had shown modest increases. The stock-to-sales ratio in manufacturing industries was reduced noticeably in 1971. This was also the case in wholesale trade, while the stock-to-sales ratio in retail trade has remained essentially unchanged.

Exports and Imports of Goods and Services

The external sector was influenced by a number of important factors. The recovery in economic activity in Canada during 1971, the highly unsettled state surrounding the United States balance of payments problems and measures taken in August to alleviate them, and the lagged effects of the decision to float the Canadian dollar in June 1970 all contributed to changes in this sector.

The positive balance on current transactions in goods and services declined dramatically in 1971 to \$53 million from close to one billion dollars in the previous year, as the surplus on merchandise trade diminished steadily through the year and net payments for services continued to grow.

Merchandise Trade - January to December
(Trade of Canada Basis) 1/

	Imports					Exports				
	Change \$ million		Per Cent of Total in:			Change \$ million		Per Cent of Total in:		
	1969- 1970	1970- 1971	1969	1970	1971	1969- 1970	1970- 1971	1969	1970	1971
Live animals	11	9	0.1	0.2	0.2	14	-1	0.4	0.4	0.4
Meat and fish products	6	-11	1.2	1.2	1.0	33	8	2.2	2.2	2.1
Wheat and cereals	-9	-14	0.5	0.5	0.3	341	208	4.0	5.5	6.4
Tobacco and beverages	-1	15	0.5	0.5	0.6	-12	1	1.7	1.5	1.4
Raw hides and skins and other crude animal products	-6	6	0.3	0.3	0.3	-8	-5	0.5	0.4	0.3
Seeds and other crude vegetable products	12	-6	0.8	0.9	0.7	55	79	0.9	1.1	1.5
Metals, ores, concentrates, and scrap	51	-1	1.4	1.7	1.6	372	-127	7.6	8.9	7.7
Coal, crude petroleum and other bituminous products	47	129	3.7	4.1	4.5	173	206	4.8	5.2	6.1
Lumber and wood products ..	-25	27	1.1	0.9	1.0	-53	176	5.7	4.7	5.4
Pulp, newsprint and other paper and allied products	2	16	0.6	0.6	0.7	69	-23	13.8	12.6	11.8
Chemicals and allied products	50	-1	4.7	5.1	4.6	75	38	3.1	3.2	3.2
Primary metals and alloys, rolling mill products ...	-21	16	2.6	2.5	2.3	368	-263	8.3	9.5	7.6
Motor vehicles and motor vehicle parts	-294	858	25.1	23.3	26.3	25	702	24.2	21.5	24.3
Aircraft and aircraft parts	-17	-98	2.8	2.8	1.8	47	-69	2.9	2.8	2.3
Telecommunication and re- lated products	-15	73	2.8	2.7	2.9	31	-15	1.4	1.5	1.3
Other	31	638	51.8	52.7	51.2	454	22	18.5	19.0	18.2
Total	-178	1,656	100.0	100.0	100.0	1,984	937	100.0	100.0	100.0

1/ Statistics Canada Cat. No. 65-002 and 65-005.

The principal factor underlying the change in merchandise transactions was the growing strength in demand for imports as the Canadian economy strengthened - imports of goods overall rose by over 12 per cent to \$15,552 million, with a 10 per cent increase in United States sales to Canada and a remarkable 38 per cent increase from Japan. Motor vehicles and parts imports overshadowed other commodity groups both in absolute dollar levels and in the rate of increase which were respectively \$4,449 million (Trade of Canada basis) and over 25 per cent.

Demand from Canadian exports, although increasing in 1971 by 6 per cent, was stepped down from the high rate of growth experienced in 1970. Total exports of goods of \$17,746 million reflected strong demands from the United States with a gain of 10 per cent, but diminished sales to the United Kingdom, Japan and to the European Common Market. Recovery in demand conditions in these latter countries during the year generally lagged behind the North American economies. Particularly strong increases in motor vehicles and parts sales, wheat, lumber and petroleum and natural gas sales were registered, with motor vehicle and parts sales reaching \$4,305 million (Trade of Canada basis), almost 20 per cent above 1970.

In the area of services, the growing deficit which reached \$2,141 million, was due largely to the higher level of investment income payments abroad, reflecting an unusually high outflow in the final quarter of 1971. Total payments and receipts were both higher than in the previous year, although only modestly so in the case of receipts. Some offsets occurred in service items as a slightly reduced deficit on international travel account was in part offset by lower net earnings on account of freight and shipping transactions.

Incomes

On the income side, the strong increase in corporation profits was characteristic of the early stage of economic recovery. Preliminary estimates show an increase of 15.9 per cent in 1971, a marked improvement over the 6.2 per cent decline in 1970. Most of the growth appears to have taken place in the first three quarters of 1971 when successive increases of more than 10 per cent were posted. On a gross basis, that is, before deduction of depreciation, profits rose by 12 per cent in 1971.

Labour income increased by 9.9 per cent in 1971 as compared with increases of 8.9 per cent in 1970 and 12.2 per cent in 1969. While both the goods-producing and service-producing industries advanced at a faster rate than in 1970 the acceleration was greater in the goods-producing industries.

Wages and salaries in the goods-producing industries increased by 8.5 per cent, as a result of increases in average earnings. Except for 1969, this constituted the largest gain since 1966. The most notable increases took place in manufacturing and construction which were affected by strikes to a larger degree in 1970 than in 1971. Manufacturing wages and salaries rose by 7.5 per cent compared with 5.6 per cent in 1970, while in construction the increase was 13.4 per cent compared with 9.6 per cent in the previous year.

Wages and salaries in the service-producing industries increased by 10.9 per cent as compared with gains of 10.2 and 14.2 per cent recorded in 1970 and 1969, respectively. Employment advanced at about the same rate as in 1970 while average earnings accelerated slightly. All industries registered advances, although a large part of the increase was due to higher wages and salaries in services, up 11.8 per cent with larger gains recorded in the commercial sector than in the non-commercial sector.

All remaining components of income with the exception of interest and miscellaneous investment income recorded stronger rates of growth in 1971. Mainly owing to larger crops, accrued net income of farm operators from farm production was much improved over the previous year, increasing by 26.4 per cent in 1971 after declining sharply by 19.2 per cent in 1970. Net income of non-farm unincorporated business rose by 7.7 per cent in 1971 against 3.2 per cent in 1970, the largest rate of increase since 1963.

Personal income grew by 10.2 per cent in 1971, compared with a 7.7 per cent increase in 1970. Rising wages and salaries and government transfer payments to persons, the latter up by nearly 15 per cent, contributed mainly to this acceleration. Personal disposable income also grew very strongly, by 9.8 per cent, the largest increase since 1966.

Price Movements

The implicit price index for Gross National Expenditure rose 3.4 per cent in 1971, a significant easing from the 4.1 per cent increase experienced in 1970. A slowdown in the price rise for personal expenditure to 2.3 per cent, the lowest since 1965, contributed largely to this movement. The implicit price index for exports also rose at a much slower rate in 1971.

Though price moderation was evident in all major components of personal expenditure on goods and services, prices of durable goods showed the most notable deceleration, rising by 1.3 per cent as against 2.9 per cent in 1970. Within durable goods, most commodities showed lower price increases or actual price declines, with the exception of automobile prices which rose by 3.5 per cent - the largest increase in many years. The slowdown in the implicit price index for non-durable goods was in part due to a much smaller increase in food prices, from 1.5 per cent in 1970 to 0.8 per cent in 1971, and to declines in prices of medical and pharmaceutical products.

The implicit price index for gross fixed capital formation rose at a faster rate than the overall GNE deflator. It showed an acceleration from 3 per cent in 1970 to 4.7 per cent in 1971. The faster rate of price increase was entirely due to price movements in construction, as machinery and equipment prices rose at about the same moderate rate of 2 1/2 per cent as in the previous two years. Sharply rising materials prices, especially of lumber and steel, were responsible for the higher rates of increase shown by the implicit price indexes for business residential and non-residential construction; the wage components rose at about the same rate as in 1970.

Price rises in the external sector were relatively small. A decline of 0.4 per cent in the merchandise component of export prices held the rise of the overall export index to 0.8 per cent for the year, a notably lower rate of increase than experienced in recent years. The drop in the price index for merchandise exports was mostly due to declines in metal prices at the beginning of the year. Much of the deceleration in the implicit price index for imports was attributable to the rising importance of the merchandise component, for which the deflator has a lower absolute level than that for services.

Implicit Price Indexes
Percentage Change from the Previous Year

	1962	1963	1964	1965	1966	1967	1968	1969	1970	1971
Personal expenditure on consumer goods and services	1.4	1.6	1.3	2.1	3.3	3.4	3.9	4.1	3.2	2.3
Durable goods	-0.6	0.4	-0.9	-0.1	0.6	3.3	2.4	1.1	2.9	1.3
Semi-durable goods	1.3	2.6	2.0	1.6	3.5	4.4	3.0	3.2	1.7	1.4
Non-durable goods	1.3	1.5	1.2	2.1	4.0	1.6	4.1	3.0	2.1	1.9
Services	2.2	1.8	2.3	3.0	3.6	4.7	4.6	6.5	4.4	3.9
Government current expenditure on goods and services	2.6	3.6	3.6	5.9	6.6	6.9	7.1	9.0	5.4	7.2
Business gross fixed capital formation	1.4	2.3	2.9	4.5	4.8	1.2	1.1	4.6	3.0	4.7
Residential construction	-	2.2	4.6	5.1	6.1	6.2	2.1	5.2	3.3	5.9
Non-residential construction	0.9	2.2	1.2	5.8	6.5	0.5	1.6	6.3	4.2	5.3
Machinery and equipment	3.0	2.2	3.4	2.9	2.5	-0.6	-0.5	2.5	2.5	2.4
Exports	3.2	1.3	2.3	1.5	2.9	1.8	1.3	2.2	3.3	0.8
Imports	4.4	1.7	1.1	0.2	1.7	2.0	2.1	2.7	2.1	1.7
Gross national expenditure	1.4	1.9	2.4	3.5	4.6	3.4	3.5	4.7	4.1	3.4

The Government Sector

Total revenues of all levels of government combined (excluding intergovernmental transfers) rose by just over 11 per cent in 1971. The major increases occurred in revenues from personal direct taxes and indirect taxes. Personal income tax revenues rose at both the federal and provincial levels. The gain in revenue from indirect taxes was spread over the three levels of government and was due mainly to higher returns from federal and provincial sales taxes and local government property taxes. Gains were also registered in other revenue sources, the most important being in revenues from direct corporate taxes and investment income.

Increased outlays on goods and services and transfers to persons were the important contributors to the higher level of total government expenditures, an increase of 12 1/2 per cent in the year. The rise in goods and services reflected mainly higher wage and salary payments. By level of government, the gain was concentrated at the provincial (where Medicare payments were also a factor) and local governments. Transfer payments to persons rose by almost 15 per cent. The largest part of the rise was in federal payments, particularly in old age security pensions and unemployment insurance benefits. At the provincial level, rises were notable in direct relief and payments to post-secondary educational institutions and benevolent associations.

With revenues rising somewhat less sharply than expenditures, the government sector surplus, on a national accounts basis and including the Canada and Quebec Pension Plans, declined from \$1,278 million in 1970 to \$939 million in 1971. The federal government deficit widened from \$12 million to \$250 million. The movements at the provincial and local government levels were partly offsetting with the provincial governments deficit narrowing while the local governments moved from a small surplus to a deficit position. The surplus of the Canada and Quebec Pension Plans showed little change.

FOURTH QUARTER 1971

Preliminary estimates for the closing quarter of 1971 show a continuation of the expansion in economic activity evident throughout the year. Gross National Product at market prices rose by 2.4 per cent or by \$2.2 billion, seasonally adjusted at annual rates $\frac{3}{4}$, to a level of \$95.6 billion. After deducting that part of the increased value of goods and services due to rising prices, the real rate of growth of the economy amounted to 1.4 per cent - about the same brisk pace as in the previous three quarters.

Demand

Most major components of demand appear to have risen at sizable rates in the fourth quarter, with particularly notable increases being shown by consumer outlays on new automobiles and other durable goods, investment in non-farm business inventories, and government current expenditure on goods and services. Expenditure on fixed capital formation was also very strong, reflecting a further gain in spending on new housing and a marked pick-up in business investment in machinery and equipment. As experienced in the previous four quarters of economic recovery, domestic demand rose faster than domestic production. An acceleration in import demand, which again rose by much more than exports, resulted in a sharp deterioration in the balance of transactions in goods and services with non-residents.

The rise in personal expenditure on consumer goods and services of 2.2 per cent (or \$1,192 million) at annual rates represented an acceleration over the third quarter gain of 1.8 per cent. (In terms of volume, the fourth quarter rise of 1.7 per cent was particularly notable.) Expenditure on durable goods has been the most dynamic component of consumer demand during 1971, showing rises of 4.5 per cent in the first quarter and of 8.0 per cent in the second quarter. After slackening in the third quarter, when this category of expenditure rose by 1.1 per cent, it rebounded sharply in the final quarter with a 5.8 per cent increase, adding \$380 million to total expenditure. As in most recent previous quarters, spending on new cars - up 6 per cent made the largest contribution within durable goods. However, accelerated increases were also noted in most other components, particularly in recreation equipment and in goods associated with new housing, such as household furniture and equipment. Consumer outlays on semi-durable goods (goods such as shoes and clothing and personal effects like jewellery and watches) also registered sizable gains, rising by almost 3 per cent, compared with a marginal decline in the previous quarter.

Outlays on the other major categories of consumer expenditure, non-durable goods and services, slowed in the quarter. The percentage rise of 0.7 per cent shown by non-durable goods was the smallest quarterly rate of increase of the year. Previous increases were 1.6 per cent in the third quarter, 4.1 per cent in the second quarter and 1.4 per cent in the first quarter. Spending on alcoholic beverages and on tobacco declined in the quarter by 6 per cent and 4 per cent respectively. Among items showing increases were food outlays, which rose by 2 per cent, and fuel outlays which rose by 4 per cent. The rate of increase of expenditure on services was somewhat lower than in the third quarter (2.4 per cent versus 2.7 per cent) but well above the rates of increase of about 1 1/2 per cent shown in the first two quarters of the year. The most noteworthy increases occurred in expenditures on shelter, up by almost 3 per cent as in the previous quarter, and on public transportation (such as railway, bus and airline travel), up by nearly 8 per cent.

Government current expenditure on goods and services rose at a sharply accelerated pace, 5.0 per cent, as compared with 2.6 per cent in the third quarter. Of the rise of \$888 million, which was the largest recorded in many years, \$520 million was accounted for by expenditure at the federal level of government. In the federal portion, defence expenditure rose by \$196 million (due entirely to increases in military pay and allowances) and non-defence expenditure rose by \$324 million, a little over half of which was in wages and salaries. Government expenditure on fixed capital formation rose by 1.9 per cent, a lesser rate of increase than in previous quarters.

There was continued strength in business fixed capital formation, housing outlays rising by a further 3.1 per cent, on top of large gains in the second and third quarters of 8.0 per cent and 6.4 per cent respectively, and investment in plant and equipment rising by 2.5 per cent compared with 1.5 per cent in the third quarter. In contrast with the third quarter, when spending on non-residential construction and on machinery and equipment rose at the same rate of 1.5 per cent, practically all the increase in fourth quarter spending was concentrated in machinery and equipment, which rose by 4.9 per cent. Much of this increase was due to business spending on commercial vehicles.

3/ Unless otherwise stated all quarter amounts in this report are expressed seasonally adjusted at annual rates.

A feature of the quarter was the sizable increase of \$404 million in investment in non-farm business inventories, from an accumulation of \$204 million in the third quarter to a further accumulation of \$608 million in the fourth quarter. Whereas in the third quarter the accumulation was concentrated in retail trade, in the fourth quarter inventory build-up was fairly general. The accumulation of \$212 million in manufacturing inventories was the first sizable build-up in over a year. Within manufacturing, increases were concentrated in the durable goods groups and especially in transportation equipment. Wholesale trade showed moderate accumulations of \$132 million following depletions in the second and third quarters; in retail trade a build-up of over \$600 million in the third quarter was followed in the fourth by a smaller accumulation of \$360 million. Two thirds of the fourth quarter accumulation occurred in non-durable lines, with clothing and food showing the largest increases. Though manufacturers and other businesses increased their inventory holdings, sales generally rose at a faster rate so that the stock-to-sales ratio in manufacturing and in wholesale trade fell further in the period, while in retail trade it remained approximately level.

The buoyancy in domestic demand in 1971 has been reflected in quarterly rises in imports much in excess of the growth in GNP. In the fourth quarter, imports rose by 5.1 per cent or \$1,156 million, while exports rose by 1.5 per cent, or \$340 million, resulting in a very sharp deterioration of \$816 million in the balance of transactions in goods and services from a small deficit of \$64 million in the third quarter (the first deficit since the fourth quarter of 1969) to a deficit of \$880 million. The deterioration in the overall balance was due to a fall of \$424 million in the merchandise surplus, as imports of goods rose by 3.8 per cent whereas exports of goods rose by 1.0 per cent, and to a \$392 million increase in the non-merchandise deficit, the latter largely due to irregularly large dividend payments. The bulk of the increase in merchandise exports in the quarter went to the United States, whereas increases in imports were mostly from overseas countries. Consequently, the fall in the merchandise surplus in the fourth quarter was entirely due to transactions with overseas countries.

Incomes

Moving to the income side, labour income increased by \$1,072 million to a level of \$53,496 million. In percentage terms, the rate of increase was 2.0 per cent - a slightly faster rate than in the third quarter. Wages and salaries rose more rapidly in the service-producing industries, where they were up 2.6 per cent (about the same as the average quarterly gain recorded in 1971). Wages and salaries in the goods-producing industries, slowed from a 1.5 per cent rise in the third quarter to a 1.2 per cent rise in the fourth. Within the goods-producing industries, wages and salaries in construction rose by a strong 3 per cent, after showing little change in the strike-affected previous quarter; in manufacturing, on the other hand, wages and salaries rose by only 0.8 per cent. In the service-producing industries, the most notable increases occurred in trade, up 5.0 per cent, and in public administration, up 4.7 per cent, the increase in the latter being largely attributable to retroactive payments to federal employees.

Very preliminary estimates of corporation profits before taxes indicate a fourth consecutive rise but at a much smaller rate - up 1.7 per cent to a level of \$9,384 million - than in each of the first three quarters when gains of 10 per cent and over were registered. A marked deceleration was also noted in gross profits (corporation profits plus allowances for depreciation of capital). Most other income components rose sharply in the quarter. In particular, accrued net income of farm operators from farm production increased by 9.2 per cent, largely because of substantial subsidy payments under the Temporary Wheat Reserves Act. Net income of non-farm unincorporated business rose by 2.7 per cent, with the most notable gains occurring in the construction and the retail trade industries.

Price Movements

The implicit price index for Gross National Expenditure rose by 1.0 per cent in the fourth quarter, a continuation of the pattern established in the earlier quarters of the year. Increases in most indexes were moderate and generally smaller than in the third quarter. The price control measures adopted in the United States in August 1971 no doubt had an impact on the prices of many imported commodities, especially consumer durable goods and machinery and equipment. The only sizable upward movement was displayed by the implicit price index for government current expenditure on goods and services, which was up by 3.4 per cent, largely due to increased rates of pay at the federal level (including some retroactivity), and to an irregular movement in employer superannuation contributions.

A deceleration occurred in the rate of increase of the price index for personal expenditure on consumer goods and services, from a rise of 0.8 per cent in the third quarter to one of 0.5 per cent in the fourth quarter. While the rise of 0.9 per cent shown by the price index for services was of the same magnitude as in recent quarters, the implicit price index for durable goods declined while those for semi-durable goods and non-durable goods slowed. The 0.5 per cent decline in the durable

goods price index was attributable to continued small declines in the prices of television sets, radios and musical instruments and to a 1.1 per cent fall in car prices. (Unadjusted for seasonality, the prices normally increase in the fourth quarter of the year; in the fourth quarter 1971, they remained virtually unchanged.)

The implicit price index for business gross fixed capital formation rose by only 0.4 per cent, after a rise of 1.9 per cent in the third quarter. The price deceleration was most marked in machinery and equipment - the implicit price index for this component showing practically no change after a 1.0 per cent increase in the third quarter. Construction prices also slowed considerably in the quarter, mainly due to much smaller rises in materials prices than had been experienced in the recent past. The residential construction price index rose by 1.3 per cent compared with 3.1 per cent in the third quarter; the non-residential construction price index rose by 0.8 per cent compared with 1.7 per cent. The slowdown in the implicit price index for business gross fixed capital formation as a whole was also due in large part to the rising weight of business spending on machinery and equipment, for which the absolute level of the index is lower than for construction.

The implicit price index for exports remained flat in the quarter, following a 1.1 per cent rise in the third quarter. Though price increases were noted in lumber, zinc and non-farm machinery and equipment, these were offset by declines in other prices, particularly in prices of wheat, woodpulp, aluminum and copper. The implicit index for imports ^{4/}, which was influenced by the recent price control measures in the United States, fell in the quarter, by 0.8 per cent compared with a 1.8 per cent increase in the third quarter.

The Government Sector

Total expenditures of all levels of government combined (excluding transfers between levels of government), seasonally adjusted at annual rates, rose by about 5 1/2 per cent in the fourth quarter of 1971, the largest increase in recent quarters. Total revenues increased at a slower rate, by about 2.4 per cent, with the result that the surplus of the government sector, on a national accounts basis, fell by \$1,048 million to a rate of \$224 million.

Much of the gain in government expenditures took place at the federal level. The largest increases occurred in outlays on goods and services, transfer payments to persons, due to a sharp rise in unemployment insurance payments, and subsidies, reflecting a large payment made under the Temporary Wheat Reserves Act.

Personal direct taxes and indirect taxes were the most important sources for the increase in total government revenues. Both the federal and provincial levels shared in the gains.

^{4/} It may be noted that since imports are a negative entry in Gross National Expenditure a price decline in this component appears to raise the implicit price index. However, import prices will already have been reflected in the various other categories of gross national expenditure. The implicit price index is accordingly a price measure for domestically produced goods and services.

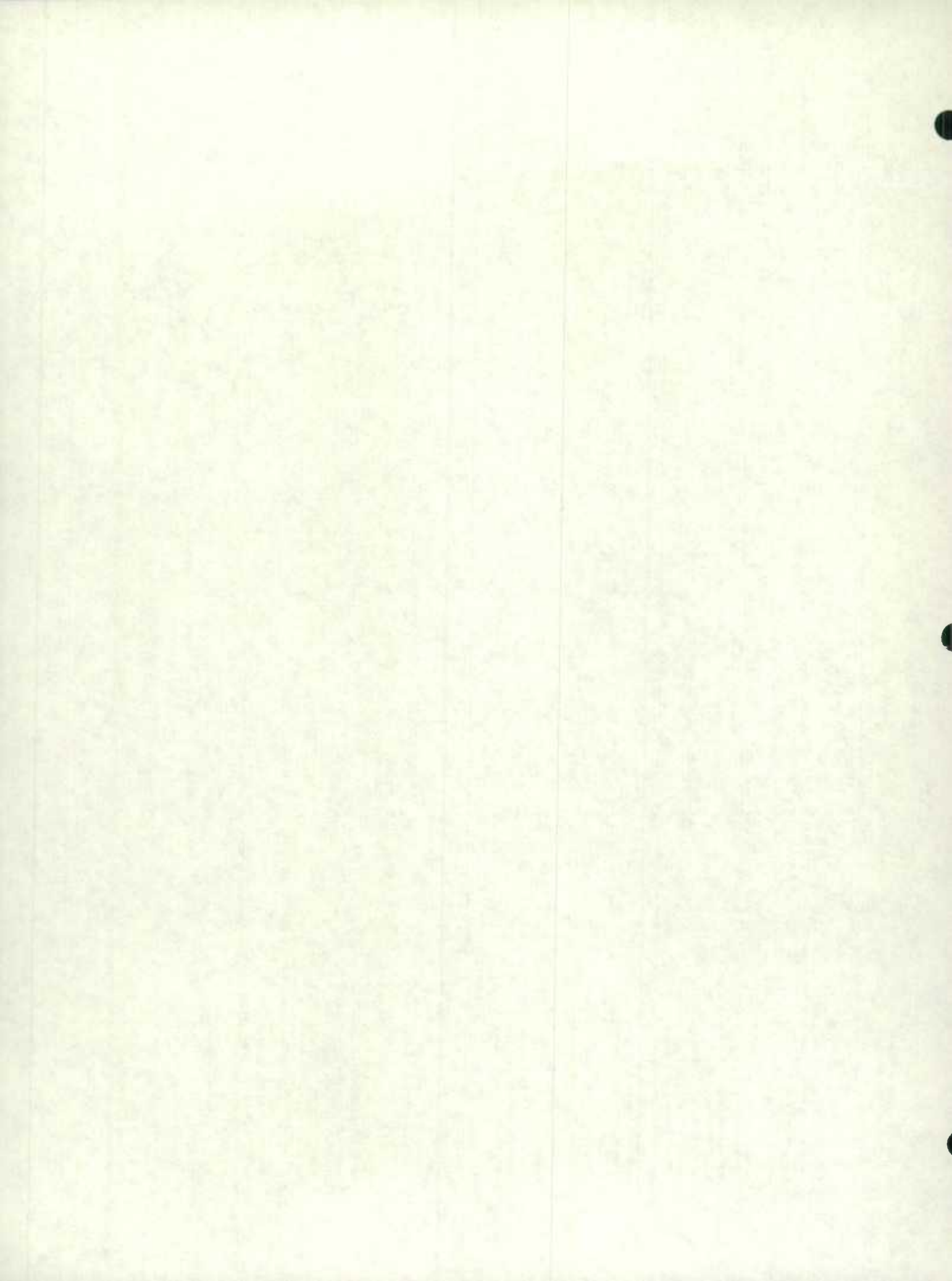
Gross National Expenditure and Components - Seasonally Adjusted
Percentage Change from the Previous Quarter

	Current Dollars					Constant (1961) Dollars					Implicit Price Indexes ^{1/}				
	1971					1971					1971				
	4Q/70	1Q	2Q	3Q	4Q	4Q/70	1Q	2Q	3Q	4Q	4Q/70	1Q	2Q	3Q	4Q
Personal expenditure on consumer goods and services	1.6	1.9	3.6	1.8	2.2	1.6	1.2	2.4	1.0	1.7	-0.1	0.7	1.2	0.8	0.5
Durable goods	1.1	4.5	8.0	1.1	5.8	1.1	3.6	7.6	0.6	6.3	-	0.8	0.4	0.5	-0.5
Semi-durable goods	5.1	1.4	4.0	-0.4	3.0	5.0	1.7	3.0	-1.3	2.4	0.1	-0.3	1.0	0.9	0.5
Non-durable goods	1.2	1.4	4.1	1.6	0.7	2.2	0.7	2.1	0.9	0.1	-1.0	0.7	2.0	0.7	0.5
Services	1.2	1.8	1.6	2.7	2.5	0.2	0.8	0.5	1.9	1.5	1.0	1.0	1.1	0.8	0.9
Government current expenditure on goods and services	3.4	2.9	2.2	2.6	5.0	2.4	1.1	-0.7	3.0	1.5	0.9	1.8	2.9	-0.3	3.4
Government gross fixed capital formation	2.4	4.5	6.2	4.8	1.9	1.7	2.3	4.3	3.7	1.7	0.7	2.1	1.8	1.2	0.2
Business gross fixed capital formation	2.9	-0.7	5.7	2.8	2.7	1.5	-1.6	4.0	0.8	2.2	1.4	1.0	1.6	1.9	0.4
Residential construction	12.7	2.6	8.0	6.4	3.1	10.8	1.6	7.1	3.2	1.7	1.7	1.0	0.9	3.1	1.3
Non-residential construction	3.6	0.4	5.0	1.5	0.1	2.3	-0.5	2.5	-0.3	-0.6	1.3	0.8	2.5	1.7	0.8
Machinery and equipment	-3.1	-3.7	4.8	1.5	4.8	-3.4	-4.3	3.6	0.4	4.7	0.3	0.7	1.2	1.0	0.1
Value of physical change in inventories	-1,068	1,284	-796	304	656	-620	924	-648	144	724	-	-	-	-	-
Government	-72	12	20	-56	116	-52	16	16	-72	120	-	-	-	-	-
Business	-1,412	844	-696	708	404	-984	640	-464	376	508	-	-	-	-	-
Non-farm	-1,412	844	-696	708	404	-984	640	-464	376	508	-	-	-	-	-
Farm and grain in commercial channels	416	428	-120	-348	136	416	268	-200	-160	96	-	-	-	-	-
Exports of goods and services ^{3/}	0.4	3.6	1.4	2.4	1.5	0.4	3.9	1.1	1.2	1.5	-	-0.2	0.3	1.1	-
of which merchandise:	(0.4)	(3.1)	(2.1)	(2.2)	(1.0)	(0.5)	(4.1)	(2.0)	(1.0)	(1.3)	(-0.1)	(-1.0)	(0.1)	(1.2)	(-0.3)
Imports of goods and services ^{3/}	-7.6	(11.3)	3.9	4.2	5.1	-7.0	10.4	2.9	2.3	6.0	-0.6	0.8	1.1	1.8	-0.8
of which merchandise:	(-9.3)	(13.6)	(6.0)	(3.6)	(3.8)	(-7.9)	(12.2)	(4.7)	(1.6)	(5.0)	(-1.5)	(1.2)	(1.2)	(2.0)	(-1.1)
Residual error of estimate ^{2/} ..	-980	644	748	256	-208	-744	488	540	176	-164	-	-	-	-	-
Gross national expenditure	1.6	2.4	3.1	2.4	2.4	1.5	1.4	1.6	1.5	1.4	0.1	1.0	1.5	0.8	1.0
(Gross national expenditure excluding value of physical change in inventories)	(2.9)	(0.9)	(4.0)	(2.1)	(1.7)	(2.5)	-	(2.6)	(1.3)	(0.3)	(0.4)	(0.9)	(1.4)	(0.7)	(1.4)

^{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.

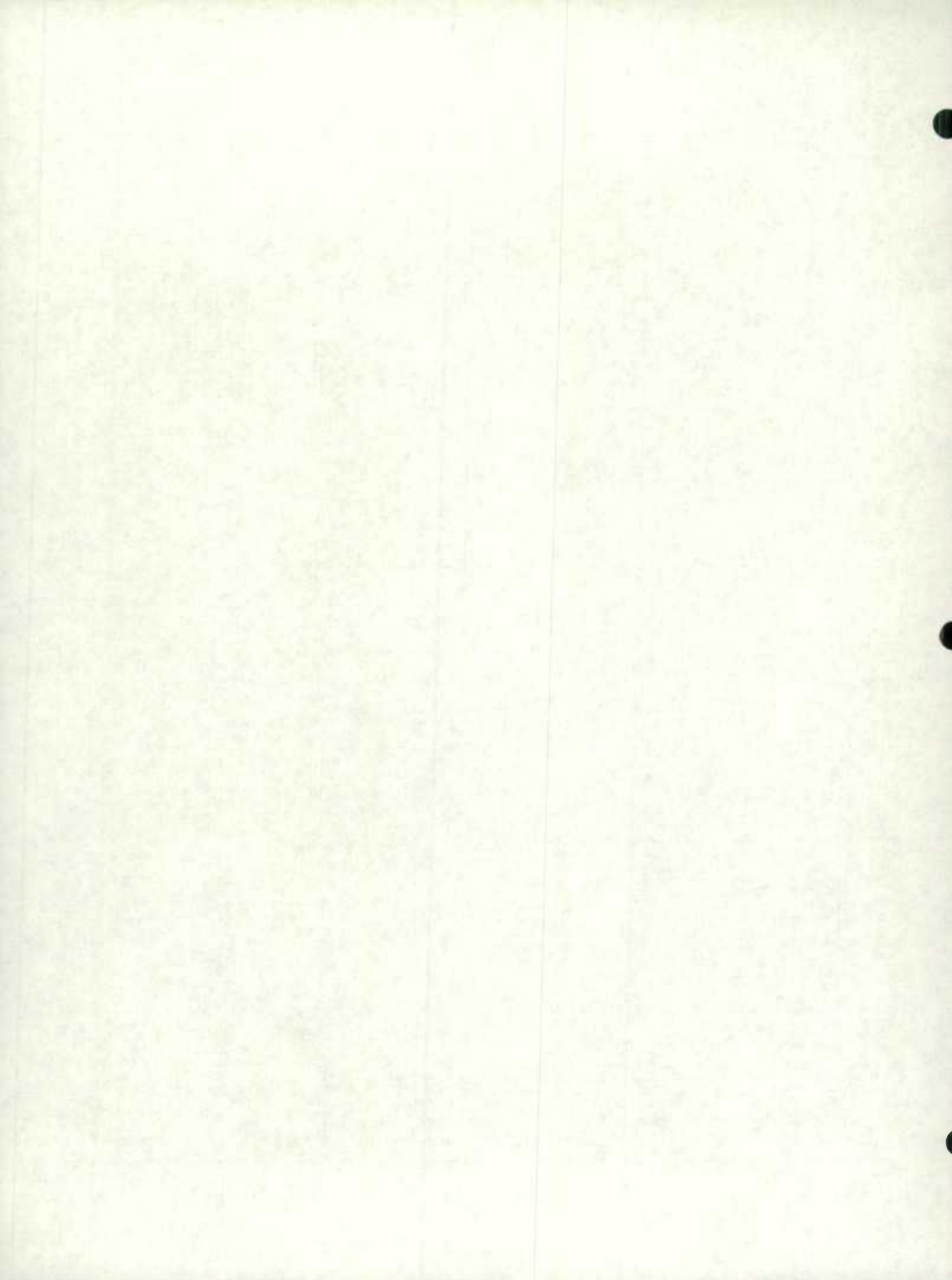
^{3/} These percentages relate to data shown in Tables 12, 20 and 21 and not to data shown in the revision note on Page 17.



Revision Note

The Balance of Payments Division revised data for 1969 and 1970. Revised figures will be shown in "Quarterly Estimates of the Canadian Balance of International Payments Fourth 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	4,178	18,312	18,452
2nd "	4,700	4,757	18,048	18,264
3rd "	4,741	4,792	18,104	18,352
4th "	4,899	4,935	19,408	19,580
Year	18,468	18,662	18,468	18,662
1970 - 1st quarter	4,724	4,754	21,132	20,944
2nd "	5,552	5,602	21,096	21,296
3rd "	5,431	5,447	20,780	21,104
4th "	5,262	5,306	20,868	21,092
Year	20,969	21,109	20,969	21,109
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	- 317	- 832	- 784
2nd "	- 395	- 480	- 1,072	- 1,464
3rd "	- 28	- 44	- 1,292	- 1,384
4th "	- 242	- 252	- 672	- 740
Year	- 967	- 1,093	- 967	- 1,093
1970 - 1st quarter	10	53	812	500
2nd "	192	135	956	728
3rd "	468	390	580	508
4th "	466	436	2,196	1,896
Year	1,136	908	1,136	908
Exports of goods and services (Constant (1961) dollars):				
1969 - 1st quarter	3,552	3,583	15,704	15,817
2nd "	3,986	4,021	15,296	15,431
3rd "	3,973	4,003	15,340	15,324
4th "	4,161	4,179	16,348	16,571
Year	15,672	15,786	15,672	15,786
1970 - 1st quarter	3,908	3,919	17,428	17,248
2nd "	4,561	4,581	17,324	17,452
3rd "	4,403	4,403	17,044	17,296
4th "	4,354	4,411	17,108	17,260
Year	17,226	17,314	17,226	17,314
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	3,993	16,976	16,983
2nd "	4,455	4,477	16,744	17,001
3rd "	4,140	4,207	16,932	17,166
4th "	4,078	4,131	15,744	16,080
Year	16,599	16,808	16,599	16,808



TABLES UNADJUSTED FOR SEASONAL VARIATION

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

	1968					Year	1969					Year
	I	II	III	IV	I		II	III	IV			
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					Year	1971					Year
	I	II	III	IV	I		II	III	IV			
1. Wages, salaries, and supplementary labour income	11,177	11,665	12,096	12,105	47,043	11,988	12,942	13,407	13,375	51,712		
2. Military pay and allowances	229	220	222	235	906	225	207	201	274	907		
3. Corporation profits before taxes(1)*	1,767	2,030	1,800	1,767	7,364	1,678	2,217	2,207	2,433	8,535		
4. Deduct: Dividends paid to non-residents(2)	- 249	- 182	- 202	- 273	- 906	- 199	- 171	- 181	- 412	- 963		
5. Interest, and miscellaneous investment income(3)	901	842	937	934	3,614	978	924	1,001	1,088	3,991		
6. Accrued net income of farm operators from farm production(4)	- 49	210	1,103	105	1,369	- 107	229	1,499	109	1,730		
7. Net income of non-farm unincorporated business including rent(5)	1,046	1,134	1,146	1,225	4,551	1,091	1,219	1,245	1,345	4,900		
8. Inventory valuation adjustment(6)	- 118	- 48	21	- 26	- 171	- 145	- 199	- 126	- 152	- 622		
9. NET NATIONAL INCOME AT FACTOR COST ...	14,704	15,871	17,123	16,072	63,770	15,509	17,368	19,253	18,060	70,190		
10. Indirect taxes less subsidies	2,755	2,724	2,851	2,921	11,251	2,982	3,054	3,140	3,273	12,449		
11. Capital consumption allowances and miscellaneous valuation adjustments	2,376	2,520	2,528	2,474	9,898	2,538	2,633	2,661	2,699	10,531		
12. Residual error of estimate	- 439	- 223	- 165	376	- 451	- 330	- 415	- 398	99	- 1,044		
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	19,396	20,892	22,337	21,843	84,468	20,699	22,640	24,656	24,131	92,126		
14. (Gross national product at market prices excluding accrued net income of farm operators)	(19,445)	(20,682)	(21,234)	(21,738)	(83,099)	(20,806)	(22,411)	(23,157)	(24,022)	(90,396)		

(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 16, 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	12,071	13,306	13,052	14,749	53,178
2. Government current expenditure on goods and services(1)	3,912	3,759	3,910	4,221	15,802	4,422	4,129	4,355	4,807	17,713
3. Gross fixed capital formation	3,860	4,403	4,854	4,844	17,961	4,091	4,945	5,465	5,485	19,986
4. Government(2)	613	752	998	889	3,252	672	875	1,185	1,047	3,779
5. Residential construction	5	6	6	4	21	5	10	6	4	25
6. Non-residential construction	537	675	896	799	2,907	593	786	1,061	941	3,381
7. Machinery and equipment	71	71	96	86	324	74	79	118	102	373
8. Business(3)	3,247	3,651	3,856	3,955	14,709	3,419	4,070	4,280	4,438	16,207
9. Residential construction	750	789	941	1,057	3,537	850	1,007	1,201	1,290	4,348
10. Non-residential construction	1,088	1,229	1,498	1,438	5,253	1,179	1,384	1,654	1,550	5,767
11. Machinery and equipment	1,409	1,633	1,417	1,460	5,919	1,390	1,679	1,425	1,598	6,092
12. Value of physical change in inventories	- 191	159	935	- 781	122	- 245	- 168	1,094	- 530	151
13. Government	- 29	10	31	- 25	- 13	- 40	4	7	- 3	- 32
Business										
14. Non-farm(4)	280	97	198	- 262	313	230	- 240	33	102	125
15. Farm and grain in commercial channels	- 442	52	706	- 494	- 178	- 435	68	1,054	- 629	58
16. Exports of goods and services(5)	4,724	5,552	5,431	5,252	20,969	4,922	5,750	5,808	5,717	22,197
17. Deduct: Imports of goods and services(5)	- 4,714	- 5,360	- 4,963	- 4,796	- 19,833	- 4,891	- 5,738	- 5,517	- 5,998	- 22,144
18. Residual error of estimate	438	224	165	- 375	452	329	416	399	- 99	1,045
19. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	19,396	20,892	22,337	21,843	84,468	20,699	22,640	24,656	24,131	92,126

- (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	20,699	22,640	24,656	24,131	92,126
2. Deduct: Residual error of estimate ...	439	223	165	- 376	451	330	415	398	- 99	1,044
3. Indirect taxes less subsidies	- 2,755	- 2,724	- 2,851	- 2,921	- 11,251	- 2,982	- 3,054	- 3,140	- 3,273	- 12,449
4. Income received from non-residents	- 253	- 261	- 264	- 296	- 1,074	- 261	- 233	- 237	- 265	- 996
5. Add: Income paid to non-residents	580	556	526	658	2,320	556	565	525	771	2,417
6. GROSS DOMESTIC PRODUCT AT FACTOR COST	17,407	18,686	19,913	18,908	74,914	18,342	20,333	22,202	21,265	82,142

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	13,407	13,375	51,712
2. Military pay and allowances	229	220	222	235	906	225	207	201	274	907
3. Net income received by farm operators from farm production(1)	- 82	163	1,045	36	1,162	- 152	221	1,431	43	1,543
4. Net income of non-farm unincorporated business including rent	1,046	1,134	1,146	1,225	4,551	1,091	1,219	1,245	1,345	4,900
5. Interest, dividends, and miscellaneous investment income(2)	1,282	1,364	1,336	1,418	5,400	1,359	1,423	1,394	1,556	5,732
<u>Current transfers</u>										
6. From government	1,748	1,634	1,695	1,730	6,807	1,994	1,862	1,924	2,037	7,817
7. Transfer payments to persons	1,748	1,633	1,694	1,729	6,804	1,993	1,862	1,923	2,035	7,813
8. Capital assistance	-	1	1	1	3	1	-	1	2	4
9. From corporations(3)	32	34	34	34	134	34	34	34	34	136
10. From non-residents	24	24	25	24	97	26	27	29	30	112
11. PERSONAL INCOME	15,456	16,238	17,599	16,807	66,100	16,565	17,935	19,665	18,694	72,859

(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	12,071	13,306	13,052	14,749	53,178
2. Durable goods	1,224	1,512	1,385	1,473	5,594	1,303	1,748	1,595	1,829	6,475
3. Semi-durable goods	1,006	1,237	1,155	1,721	5,119	1,026	1,306	1,317	1,845	5,494
4. Non-durable goods	4,540	4,651	4,758	5,461	19,410	4,815	5,166	5,075	5,840	20,896
5. Services(1)	4,597	4,755	4,707	4,813	18,872	4,927	5,086	5,065	5,235	20,313
<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	2,714	10,088
7. Succession duties and estate taxes	60	64	74	59	257	70	69	62	72	273
8. Employer and employee contributions to social insurance and government pension funds	592	644	625	559	2,420	665	699	617	560	2,541
9. Other	307	245	238	259	1,049	328	257	248	267	1,100
10. To corporations(2)	119	119	122	124	484	125	129	134	138	526
11. To non-residents	35	37	33	36	141	42	44	46	45	177
12. Personal saving	958	700	2,336	- 19	3,975	949	942	2,936	149	4,976
13. Personal saving excluding change in farm inventories	1,381	569	1,610	392	3,952	1,357	782	1,888	744	4,771
14. Value of physical change in farm inventories	- 423	131	726	- 411	23	- 408	160	1,048	- 595	205
15. PERSONAL INCOME	15,456	16,238	17,599	16,807	66,100	16,565	17,935	19,665	18,694	72,859
16. (Personal disposable income) (15-6-7-8-9)	(12,479)	(13,011)	(14,496)	(13,609)	(53,595)	(13,187)	(14,421)	(16,168)	(15,081)	(58,857)

(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
<u>REVENUE</u>										
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 Govern- ment 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
<u>CURRENT EXPENDITURE</u>										
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	5,300
76. Hospitals	387	392	397	403	1,579	418	433	447	462	1,760
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	115
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	3,050	3,257	3,249	3,346	12,902
2. Federal(1)	1,735	1,899	1,843	1,921	7,398	1,916	2,066	2,071	2,204	8,257
3. Provincial	682	766	739	816	3,003	845	807	899	985	3,536
4. Local	-	-	-	-	-	-	-	-	-	-
5. Canada Pension Plan	188	232	200	153	773	228	293	196	100	817
6. Quebec Pension Plan	65	85	83	49	282	61	91	83	57	292
7. Direct taxes - Corporate and government business enterprises	705	786	677	686	2,854	669	860	809	805	3,143
8. Federal(2)	527	594	509	512	2,142	500	643	594	589	2,326
9. (Federal tax collections)(2)	(689)	(839)	(529)	(490)	(2,547)	(479)	(823)	(516)	(488)	(2,306)
10. Provincial(3)	178	192	168	174	712	169	217	215	216	817
11. (Provincial tax collections)	(247)	(225)	(229)	(159)	(860)	(228)	(233)	(238)	(177)	(876)
12. Direct taxes-Non-residents-Federal(4)	66	70	45	86	267	59	81	47	85	272
13. Indirect taxes	2,903	2,911	3,068	3,093	11,975	3,122	3,176	3,335	3,496	13,129
14. Federal	929	987	1,040	1,077	4,033	983	1,082	1,144	1,273	4,482
15. Provincial	1,029	977	1,079	1,065	4,150	1,116	1,070	1,166	1,197	4,549
16. Local	945	947	949	951	3,792	1,023	1,024	1,025	1,026	4,098
17. Other current transfers from persons	307	245	238	259	1,049	328	257	248	267	1,100
18. Federal	1	1	1	-	3	1	-	1	1	3
19. Provincial	289	225	217	239	970	307	236	226	246	1,015
20. Local	17	18	19	19	73	20	20	20	19	79
21. Hospitals	-	1	1	1	3	-	1	1	1	3
22. Investment income	565	588	607	694	2,454	636	671	688	804	2,799
23. Federal	245	304	305	357	1,211	303	344	351	420	1,418
24. Provincial	259	208	235	249	951	258	228	254	264	1,004
25. Local	22	25	22	25	94	23	27	24	28	102
26. Hospitals	1	1	1	2	5	1	1	1	2	5
27. Canada Pension Plan	38	50	44	61	193	51	71	58	90	270
28. Current transfers from other levels of government	2,022	2,401	2,165	2,322	8,910	2,427	2,742	2,608	2,723	10,500
29. Provinces - From Canada	760	803	875	877	3,315	1,119	998	1,032	1,090	4,239
30. - From local governments	12	6	11	16	45	7	5	9	12	33
31. Local governments - From Canada	15	28	21	18	82	18	41	22	28	109
32. - From provinces	632	1,006	690	836	3,164	630	1,108	923	939	3,600
33. Hospitals - From provinces	597	552	562	569	2,280	647	584	615	647	2,493
34. - From local governments	6	6	6	6	24	6	6	7	7	26
35. Total revenue	9,238	9,983	9,665	10,079	38,965	10,291	11,044	10,984	11,526	43,845
36. Federal	3,503	3,855	3,743	3,953	15,054	3,762	4,216	4,208	4,572	16,758
37. Provincial	3,209	3,177	3,324	3,436	13,146	3,821	3,561	3,801	4,010	15,193
38. Local	1,631	2,024	1,701	1,849	7,205	1,714	2,220	2,014	2,040	7,988
39. Hospitals	604	560	570	578	2,312	654	592	624	657	2,527
40. Canada Pension Plan	226	282	244	214	966	279	364	254	190	1,087
41. Quebec Pension Plan	65	85	83	49	282	61	91	83	57	292
CURRENT EXPENDITURE										
42. Current expenditure on goods and services(5)	3,912	3,759	3,910	4,221	15,802	4,422	4,129	4,355	4,807	17,713
43. Federal	1,271	1,123	1,017	1,100	4,511	1,297	1,127	1,094	1,260	4,778
44. (Defence)	(530)	(430)	(449)	(459)	(1,868)	(514)	(427)	(462)	(523)	(1,926)
45. Provincial	924	779	970	1,074	3,747	1,186	908	1,090	1,240	4,424
46. Local	1,244	1,373	1,428	1,541	5,586	1,420	1,562	1,626	1,749	6,357
47. Hospitals	473	484	495	506	1,958	519	532	545	558	2,154
48. Transfer payments to persons	1,748	1,633	1,694	1,729	6,804	1,993	1,862	1,923	2,035	7,813
49. Federal	1,066	1,053	956	978	4,053	1,206	1,232	1,097	1,157	4,692
50. Provincial	637	526	682	688	2,533	717	547	740	778	2,782
51. Local	25	29	29	31	114	35	43	40	50	168
52. Canada Pension Plan	15	19	20	24	78	26	30	35	38	129
53. Quebec Pension Plan	5	6	7	8	26	9	10	11	12	42
54. Subsidies	148	187	217	172	724	140	122	195	223	680
55. Federal	131	168	151	143	593	106	100	122	188	516
56. Provincial	17	19	66	29	131	34	22	73	35	164

See footnote(s) at end of table.

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 footnotes (1) 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	4,922	5,750	5,808	5,717	22,197
2. Merchandise	3,950	4,540	4,056	4,332	16,878	4,060	4,657	4,334	4,695	17,746
3. Non-merchandise	774	1,012	1,375	930	4,091	862	1,093	1,474	1,022	4,451
4. Deduct: Imports of goods and services	-4,714	-5,360	-4,963	-4,796	-19,833	-4,891	-5,738	-5,517	-5,998	-22,144
5. Merchandise	-3,305	-3,875	-3,317	-3,337	-13,834	-3,399	-4,130	-3,745	-4,278	-15,552
6. Non-merchandise	-1,409	-1,485	-1,646	-1,459	-5,999	-1,492	-1,608	-1,772	-1,720	-6,592
7. Add: Net current transfers abroad	13	4	-52	14	-21	-7	20	-47	-7	-41
8. Current transfers to abroad(-)(1) ..	-77	-90	-122	-96	-385	-92	-88	-123	-122	-425
9. Current transfers from abroad(+)(2)	90	94	70	110	364	85	108	76	115	384
10. Equals: Saving(3)	23	196	416	480	1,115	24	32	244	-288	12
Reconciliation with the "Canadian Balance of International Payments":										
Saving as above	23	196	416	480	1,115	24	32	244	-288	12
Add: Net inheritances and migrants' funds	30	52	60	22	164	48	59	76	50	233
Equals: Surplus(+) or deficit(-) on current account as per "Canadian Balance of International Payments"(4)	53	248	476	502	1,279	72	91	320	-238	245

(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, February 15, 1972.

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 8 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	949	942	2,936	149	4,976
2. Adjustment on grain transactions(1)	33	47	58	69	207	45	8	68	66	187
Corporate and government business enterprises										
3. Undistributed corporation profits	537	764	637	496	2,434	528	907	948	882	3,265
4. Undistributed profits of government business enterprises	105	81	86	38	310	95	89	80	67	331
5. Capital assistance	33	40	21	27	121	58	41	43	50	192
6. Inventory valuation adjustment ...	-118	-48	21	-26	-171	-145	-199	-126	-152	-622
7. Government	645	1,101	848	733	3,327	461	1,219	990	708	3,378
8. Non-residents	-23	-196	-416	-480	-1,115	-24	-32	-244	288	-12
9. Capital consumption allowances and miscellaneous valuation adjustments	2,376	2,520	2,528	2,474	9,898	2,538	2,633	2,661	2,699	10,531
10. Residual error of estimate	-439	-223	-165	376	-451	-330	-415	-398	99	-1,044
11. Total	4,107	4,786	5,954	3,688	18,535	4,175	5,193	6,958	4,856	21,182

(1) This item is the adjustment to take account of the accrued savings 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	4,091	4,945	5,465	5,485	19,986
2. Residential construction	755	795	947	1,061	3,558	855	1,017	1,207	1,294	4,373
3. Non-residential construction	1,625	1,904	2,394	2,237	8,160	1,772	2,170	2,715	2,491	9,148
4. Machinery and equipment	1,480	1,704	1,513	1,546	6,243	1,464	1,758	1,543	1,700	6,465
5. Value of physical change in inventories	- 191	159	935	- 781	122	-245	-168	1,094	-530	151
6. Residual error of estimate	438	224	165	- 375	452	329	416	399	-99	1,045
7. Total	4,107	4,786	5,954	3,688	18,535	4,175	5,193	6,958	4,856	21,182

(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	2,825
14. Non-residential construction	810	914	1,080	978	3,782	807	883	1,056	992	3,768
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.

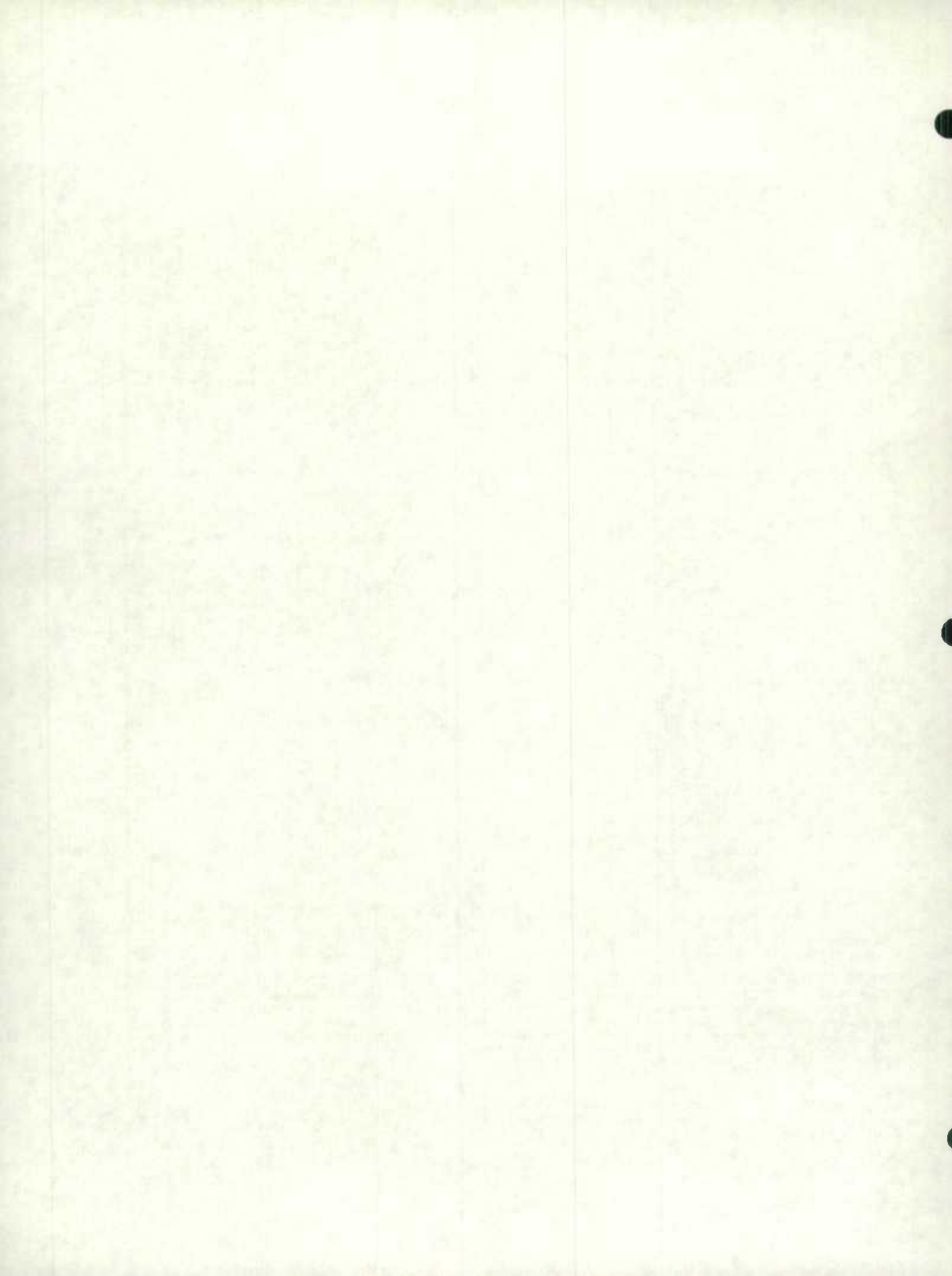
(2) See Revision Note after the text.

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	9,444	10,274	9,982	11,270	40,970
2. Durable goods	1,131	1,383	1,262	1,335	5,111	1,185	1,576	1,435	1,644	5,840
3. Semi-durable goods	811	985	921	1,354	4,071	824	1,031	1,035	1,424	4,314
4. Non-durable goods	3,732	3,752	3,818	4,487	15,789	3,968	4,120	3,983	4,619	16,690
5. Services	3,358	3,449	3,407	3,425	13,639	3,467	3,547	3,529	3,583	14,126
6. Government current expenditure on goods and services	2,452	2,321	2,368	2,520	9,661	2,622	2,325	2,483	2,669	10,099
7. Gross fixed capital formation	3,025	3,435	3,756	3,709	13,925	3,106	3,690	3,995	3,999	14,790
8. Government	474	581	768	677	2,500	501	641	865	759	2,766
9. Residential construction	4	4	4	3	15	3	7	4	3	17
10. Non-residential construction	408	515	680	600	2,203	435	568	762	671	2,436
11. Machinery and equipment	62	62	84	74	282	63	66	99	85	313
12. Business	2,551	2,854	2,988	3,032	11,425	2,605	3,049	3,130	3,240	12,024
13. Residential construction	545	565	668	740	2,518	587	686	801	849	2,923
14. Non-residential construction	822	925	1,129	1,071	3,947	866	989	1,170	1,090	4,115
15. Machinery and equipment	1,184	1,364	1,191	1,221	4,960	1,152	1,374	1,159	1,301	4,986
16. Value of physical change in inventories	-224	26	919	-679	42	-228	-293	1,123	-439	163
17. Government	-26	7	27	-23	-15	-34	3	5	-4	-30
Business										
18. Non-farm	223	121	127	-211	260	201	-169	4	111	147
19. Farm and grain in commercial channels	-421	-102	765	-445	-203	-395	-127	1,114	-546	46
20. Exports of goods and services(2)	3,908	4,561	4,403	4,354	17,226	4,047	4,716	4,629	4,699	18,091
21. (of which: merchandise)	(3,350)	(3,844)	(3,437)	(3,693)	(14,324)	(3,455)	(3,991)	(3,657)	(4,023)	(15,126)
22. Deduct: Imports of goods and services(2)	-3,926	-4,455	-4,140	-4,078	-16,599	-4,079	-4,739	-4,446	-4,965	-18,229
23. (of which: merchandise)	(2,861)	(3,349)	(2,920)	(2,987)	(12,117)	(2,982)	(3,576)	(3,190)	(3,714)	(13,462)
24. Residual error of estimate	332	169	123	-279	345	242	302	287	-71	760
25. GROSS NATIONAL EXPENDITURE IN CONSTANT(1961) DOLLARS	14,599	15,626	16,837	16,148	63,210	15,154	16,275	18,053	17,162	66,644

(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	49,472	51,456	52,424	53,496	51,712
2. Military pay and allowances	896	908	884	936	906	904	860	824	1,040	907
3. Corporation profits before taxes(1)*	7,740	7,412	7,596	6,708	7,364	7,380	8,152	9,224	9,384	8,535
4. Deduct: Dividends paid to non-residents(2)	-1,076	-868	-896	-784	-906	-828	-836	-828	-1,360	-963
5. Interest, and miscellaneous investment income(3)	3,416	3,560	3,836	3,644	3,614	3,732	3,972	4,000	4,260	3,991
6. Accrued net income of farm operators from farm production(4)	1,380	1,536	1,116	1,444	1,369	1,540	1,756	1,732	1,892	1,730
7. Net income of non-farm unincorporated business including rent(5)	4,488	4,484	4,564	4,668	4,551	4,720	4,848	4,948	5,084	4,900
8. Inventory valuation adjustment(6)	-380	-188	-84	-32	-171	-532	-712	-744	-500	-622
9. NET NATIONAL INCOME AT FACTOR COST ...	62,620	63,288	64,228	64,944	63,770	66,388	69,496	71,580	73,296	70,190
10. Indirect taxes less subsidies	11,152	11,096	11,420	11,336	11,251	12,068	12,424	12,564	12,740	12,449
11. Capital consumption allowances and miscellaneous valuation adjustments	9,732	9,924	10,080	9,856	9,898	10,384	10,392	10,612	10,736	10,531
12. Residual error of estimate	-820	-484	-740	240	-451	-408	-1,156	-1,412	-1,200	-1,044
13. GROSS NATIONAL PRODUCT AT MARKET PRICES	82,684	83,824	84,988	86,376	84,468	88,432	91,156	93,344	95,572	92,126
14. (Gross national product at market prices excluding accrued net income of farm operators)	(81,304)	(82,288)	(83,872)	(84,932)	(83,099)	(86,892)	(89,400)	(91,612)	(93,680)	(90,396)

(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 grain 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					Year	1971				
	I	II	III	IV	I		II	III	IV	Year	
1. Personal expenditure on consumer goods and services	48,008	48,580	49,312	50,080	48,995	51,044	52,868	53,804	54,996	53,178	
2. Government current expenditure on goods and services(1)	15,024	15,708	15,968	16,508	15,802	16,984	17,356	17,812	18,700	17,713	
3. Gross fixed capital formation	17,592	17,404	18,168	18,680	17,961	18,732	19,816	20,440	20,956	19,986	
4. Government(2)	3,172	3,204	3,276	3,356	3,252	3,508	3,724	3,904	3,980	3,779	
5. Residential construction	20	24	24	16	21	24	24	24	28	25	
6. Non-residential construction	2,844	2,864	2,916	3,004	2,907	3,128	3,332	3,504	3,560	3,381	
7. Machinery and equipment	308	316	336	336	324	356	368	376	392	373	
8. Business(3)	14,420	14,200	14,892	15,324	14,709	15,224	16,092	16,536	16,976	16,207	
9. Residential construction	3,620	3,280	3,408	3,840	3,537	3,940	4,256	4,528	4,668	4,348	
10. Non-residential construction	5,092	5,120	5,304	5,496	5,253	5,516	5,792	5,876	5,884	5,767	
11. Machinery and equipment	5,708	5,800	6,180	5,988	5,919	5,768	6,044	6,132	6,424	6,092	
12. Value of physical change in inventories	432	692	216	- 852	122	432	-364	-60	596	151	
13. Government	- 8	4	12	- 60	- 13	-48	-28	-84	32	-32	
Business											
14. Non-farm(4)	608	536	760	- 652	313	192	-504	204	608	125	
15. Farm and grain in commercial channels(5)	- 168	152	- 556	- 140	- 178	288	168	-180	-44	58	
16. Exports of goods and services(6)	21,132	21,096	20,780	20,868	20,969	21,620	21,924	22,452	22,792	22,137	
17. Deduct: Imports of goods and services(6)	-20,320	-20,140	-20,200	-18,672	- 19,833	-20,788	-21,600	-22,516	-23,672	-22,144	
18. Residual error of estimate	816	484	744	- 236	452	408	1,156	1,412	1,204	1,045	
19. GROSS NATIONAL EXPENDITURE AT MARKET PRICES	82,684	83,824	84,988	86,376	84,468	88,432	91,156	93,344	95,572	92,126	
Detail of Farm Inventories and GICC:											
Value of grain crop production	972	972	972	976	973	1,356	1,356	1,356	1,360	1,357	
Depletions of farm stocks of grain	- 1,432	- 1,120	-1,096	- 840	- 1,122	-1,048	-1,200	-1,336	-1,292	-1,219	
Change in other farm-held inventories	232	424	- 204	236	172	88	216	-28	-8	67	
Grain in commercial channels	60	- 124	- 228	- 512	- 201	-108	-204	-172	-104	-147	

(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					Year	1971				
	I	II	III	IV	I		II	III	IV	Year	
1. GROSS NATIONAL PRODUCT AT MARKET PRICES	82,684	83,824	84,988	86,376	84,468	88,432	91,156	93,344	95,572	92,126	
2. Deduct: Residual error of estimate	820	484	740	- 240	451	408	1,156	1,412	1,200	1,045	
3. Indirect taxes less subsidies	-11,152	-11,096	-11,420	-11,336	- 11,251	-12,068	-12,424	-12,564	-12,740	-12,443	
4. Income received from non-residents	- 1,004	- 1,036	- 1,176	- 1,080	- 1,074	-1,040	-948	-1,036	-960	-935	
5. Add: Income paid to non-residents	2,456	2,224	2,360	2,240	2,320	2,304	2,272	2,360	2,732	2,417	
6. GROSS DOMESTIC PRODUCT AT FACTOR COST	73,804	74,400	75,492	75,960	74,914	78,036	81,212	83,516	85,804	82,142	

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

	1968					Year	1969				
	I	II	III	IV	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					Year	1971				
	I	II	III	IV	I		II	III	IV	Year	
1. Wages, salaries, and supplementary labour income	46,156	46,444	47,212	48,360	47,043	49,472	51,456	52,424	53,496	51,712	
2. Military pay and allowances	896	908	884	936	906	904	860	824	1,040	907	
3. Net income received by farm operators from farm production(1)	1,200	1,356	916	1,176	1,162	1,404	1,664	1,556	1,548	1,543	
4. Net income of non-farm unincorporated business including rent	4,488	4,484	4,564	4,668	4,551	4,720	4,848	4,948	5,084	4,900	
5. Interest, dividends, and miscellaneous investment income(2)	5,248	5,416	5,464	5,472	5,400	5,576	5,632	5,712	6,008	5,732	
<u>Current transfers</u>											
6. From government	6,472	6,588	7,068	7,100	6,807	7,392	7,428	8,016	8,432	7,817	
7. Transfer payments to persons	6,472	6,584	7,064	7,096	6,804	7,388	7,428	8,012	8,424	7,813	
8. Capital assistance	-	4	4	4	3	4	-	4	8	4	
9. From corporations(3)	128	136	136	136	134	136	136	136	136	136	
10. From non-residents	100	96	100	92	97	108	104	116	120	112	
11. PERSONAL INCOME	64,688	65,428	66,344	67,940	66,100	69,712	72,128	73,732	75,864	72,859	

(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>										
<u>To government</u>										
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	51,044	52,868	53,804	54,996	53,178
2. Durable goods	5,372	5,612	5,664	5,728	5,594	5,984	6,464	6,536	6,916	6,475
3. Semi-durable goods	5,116	5,148	4,980	5,232	5,119	5,304	5,516	5,496	5,660	5,494
4. Non-durable goods	19,156	19,136	19,560	19,788	19,410	20,072	20,896	21,236	21,380	20,896
5. Services(1)	18,364	18,684	19,108	19,332	18,872	19,684	19,992	20,536	21,040	20,313
<u>Current transfers</u>										
<u>To government</u>										
6. Income taxes	8,028	8,908	8,904	9,276	8,779	9,504	9,636	10,480	10,732	10,088
7. Succession duties and estate taxes	240	256	296	236	257	280	276	248	288	273
8. Employer and employee contributions to social insurance and government pension funds	2,408	2,416	2,404	2,452	2,420	2,584	2,424	2,472	2,684	2,541
9. Other	1,004	1,032	1,084	1,076	1,049	1,068	1,092	1,116	1,124	1,100
10. To corporations(2)	476	480	488	492	484	504	516	536	548	526
11. To non-residents	132	144	136	152	141	160	172	192	184	177
12. Personal saving	4,392	3,612	3,720	4,176	3,975	4,568	5,144	4,884	5,308	4,976
13. PERSONAL INCOME	64,688	65,428	66,344	67,940	66,100	69,712	72,128	73,732	75,864	72,859
14. (Personal disposable income) (13-6-7-8-9)	(53,008)	(52,816)	(53,656)	(54,900)	(53,595)	(56,276)	(58,700)	(59,416)	(61,036)	(58,857)

(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	5,358
76. Hospitals	1,548	1,568	1,588	1,612	1,579	1,672	1,732	1,788	1,848	1,760
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 Revenues, Expenditure and Surplus or Deficit, by Level of Government, by Quarters
Seasonally Adjusted at Annual Rates - Continued
(millions of dollars)

	1970					1971				
	I	II	III	IV	Year	I	II	III	IV	Year
REVENUE										
1. Direct taxes - Persons	10,676	11,580	11,604	11,964	11,456	12,368	12,336	13,200	13,704	12,902
2. Federal(1)	6,964	7,356	7,560	7,712	7,398	7,884	7,940	8,432	8,772	8,257
3. Provincial	2,692	3,132	2,988	3,200	3,003	3,408	3,264	3,644	3,828	3,536
4. Local	-	-	-	-	-	-	-	-	-	-
5. Canada Pension Plan	760	804	724	804	773	828	832	808	800	817
6. Quebec Pension Plan	260	288	332	248	282	248	300	316	304	292
7. Direct taxes - Corporate and govern- ment business enterprises	2,952	2,908	2,920	2,636	2,854	2,816	3,164	3,444	3,148	3,143
8. Federal(2)	2,208	2,196	2,192	1,972	2,142	2,104	2,364	2,528	2,308	2,326
9. (Federal tax collections)(2)	(3,028)	(2,648)	(2,276)	(2,236)	(2,547)	(2,064)	(2,480)	(2,328)	(2,352)	(2,306)
10. Provincial(3)	744	712	728	664	712	712	800	916	840	817
11. (Provincial tax collections)	(980)	(840)	(876)	(744)	(860)	(824)	(888)	(904)	(888)	(876)
12. Direct taxes-Non-residents-Federal(4)	304	244	244	276	267	260	288	252	288	272
13. Indirect taxes	11,848	11,952	12,132	11,968	11,975	12,744	13,012	13,180	13,580	13,129
14. Federal	3,972	3,960	4,172	4,028	4,033	4,212	4,400	4,556	4,760	4,482
15. Provincial	4,092	4,204	4,164	4,140	4,150	4,444	4,516	4,524	4,712	4,549
16. Local(5)	3,784	3,788	3,796	3,800	3,792	4,088	4,096	4,100	4,108	4,098
17. Other current transfers from persons	1,004	1,032	1,084	1,076	1,049	1,068	1,092	1,116	1,124	1,100
18. Federal	4	4	4	-	3	4	-	4	4	3
19. Provincial	932	952	1,000	996	970	984	1,008	1,028	1,040	1,015
20. Local	68	72	76	76	73	80	80	80	76	79
21. Hospitals	-	4	4	4	3	-	4	4	4	3
22. Investment income	2,320	2,356	2,604	2,536	2,454	2,580	2,728	2,860	3,028	2,799
23. Federal	1,132	1,172	1,300	1,240	1,211	1,336	1,348	1,468	1,520	1,418
24. Provincial	932	892	1,028	952	951	928	996	1,052	1,040	1,004
25. Local	100	88	96	92	94	108	96	104	100	102
26. Hospitals	4	4	4	8	5	4	4	4	8	5
27. Canada Pension Plan	152	200	176	244	193	204	284	232	360	270
28. Current transfers from other levels of government	8,660	8,816	8,884	9,280	8,910	10,028	9,884	10,972	11,116	10,500
29. Provinces - From Canada	3,064	3,104	3,656	3,436	3,315	4,376	3,948	4,236	4,396	4,239
30. - From local governments	44	28	48	60	45	28	24	40	40	33
31. Local governments - From Canada ...	48	100	80	100	82	80	140	84	132	109
32. - From provinces	3,208	3,348	2,764	3,336	3,164	3,120	3,396	4,056	3,828	3,600
33. Hospitals - From provinces	2,272	2,212	2,312	2,324	2,280	2,400	2,352	2,528	2,692	2,493
34. - From local governments	24	24	24	24	24	24	24	28	28	26
35. Total revenue	37,764	38,888	39,472	39,736	38,965	41,864	42,504	45,024	45,988	43,845
36. Federal	14,584	14,932	15,472	15,228	15,054	15,800	16,340	17,240	17,652	16,758
37. Provincial	12,500	13,024	13,612	13,448	13,146	14,880	14,556	15,440	15,896	15,193
38. Local	7,208	7,396	6,812	7,404	7,205	7,476	7,808	8,424	8,244	7,988
39. Hospitals	2,300	2,244	2,344	2,360	2,312	2,428	2,384	2,564	2,732	2,527
40. Canada Pension Plan	912	1,004	900	1,048	966	1,032	1,116	1,040	1,160	1,087
41. Quebec Pension Plan	260	288	332	248	282	248	300	316	304	292
CURRENT EXPENDITURE										
42. Current expenditure on goods and services(6)	15,024	15,708	15,968	16,508	15,802	16,984	17,356	17,812	18,700	17,713
43. Federal	4,612	4,840	4,152	4,440	4,511	4,644	4,812	4,568	5,088	4,778
44. (Defence)	(1,964)	(1,880)	(1,820)	(1,808)	(1,868)	(1,872)	(1,876)	(1,880)	(2,076)	(1,926)
45. Provincial	3,276	3,412	4,092	4,208	3,747	4,208	4,172	4,560	4,756	4,424
46. Local	5,244	5,520	5,744	5,836	5,586	6,056	6,244	6,504	6,624	6,357
47. Hospitals	1,892	1,936	1,980	2,024	1,958	2,076	2,128	2,180	2,232	2,154
48. Transfer payments to persons	6,472	6,584	7,064	7,096	6,804	7,388	7,428	8,012	8,424	7,813
49. Federal	3,800	3,992	4,172	4,248	4,053	4,252	4,616	4,800	5,100	4,692
50. Provincial	2,488	2,376	2,672	2,596	2,533	2,848	2,480	2,872	2,928	2,782
51. Local	104	116	112	124	114	148	172	156	196	168
52. Canada Pension Plan	60	76	80	96	78	104	120	140	152	129
53. Quebec Pension Plan	20	24	28	32	26	36	40	44	48	42
54. Subsidies	696	856	712	632	724	676	588	616	840	680
55. Federal	588	716	560	508	593	496	412	468	688	516
56. Provincial	108	140	152	124	131	180	176	148	152	164

See footnote(s) at end of table.

TABLE 16. Government Revenue, Expenditure and Surplus or Deficit, by Level of Government, by Quarter
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	144	196	196	196
58. Federal	116	128	84	72	100	196	136	176	172	170
59. Provincial	32	8	24	32	24	52	8	20	24	26
60. Current transfers to Non-residents- Federal	224	168	316	268	244	248	164	252	328	248
61. Interest on the public debt	2,940	2,976	3,080	3,124	3,030	3,128	3,240	3,396	3,504	3,317
62. Federal(7)	1,824	1,864	1,812	1,944	1,861	1,908	1,916	2,024	2,120	1,992
63. Provincial	620	620	784	692	679	720	772	880	812	796
64. Local	496	492	484	488	490	500	552	492	572	529
65. Current transfers to other levels of government	8,660	8,816	8,884	9,280	8,910	10,028	9,884	10,972	11,116	10,500
66. Canada - To provinces	3,064	3,104	3,656	3,436	3,315	4,376	3,948	4,236	4,396	4,239
67. - To local governments	48	100	80	100	82	80	140	84	132	109
68. Provinces - To local governments ...	3,208	3,348	2,764	3,336	3,164	3,120	3,396	4,056	3,828	3,600
69. - To hospitals	2,272	2,212	2,312	2,324	2,280	2,400	2,352	2,528	2,692	2,493
70. Local governments - To provinces ...	44	28	48	60	45	28	24	40	40	33
71. - To hospitals ...	24	24	24	24	24	24	24	28	28	26
72. Total current expenditure(8)	34,164	35,244	36,132	37,012	35,638	38,700	38,804	41,256	43,108	40,467
73. Federal	14,276	14,912	14,832	15,016	14,759	16,200	16,144	16,608	18,024	16,744
74. Provincial	12,004	12,116	12,800	13,312	12,558	13,528	13,356	15,064	15,192	14,285
75. Local	5,912	6,180	6,412	6,532	6,259	6,756	7,016	7,220	7,460	7,113
76. Hospitals	1,892	1,936	1,980	2,024	1,958	2,076	2,128	2,180	2,232	2,154
77. Canada Pension Plan	60	76	80	96	78	104	120	140	152	129
78. Quebec Pension Plan	20	24	28	32	26	36	40	44	48	42
79. Saving (total revenue less total current expenditure)	3,600	3,644	3,340	2,724	3,327	3,164	3,700	3,768	2,880	3,373
80. Federal	308	20	640	212	295	- 400	196	632	- 372	14
81. Provincial	496	908	812	136	588	1,352	1,200	376	704	908
82. Local	1,296	1,216	400	872	946	720	792	1,204	784	875
83. Hospitals	408	308	364	336	354	352	256	384	500	375
84. Canada Pension Plan	852	928	820	952	888	928	996	900	1,008	958
85. Quebec Pension Plan	240	264	304	216	256	212	260	272	256	250
<u>SURPLUS OR DEFICIT ON A NATIONAL</u>										
<u>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	1,356	1,308
87. Federal	220	228	232	240	230	248	256	264	272	260
88. Provincial	352	360	364	368	361	372	376	380	384	378
89. Local	476	484	500	516	494	532	548	564	580	556
90. Hospitals	100	104	108	108	105	108	112	116	120	114
91. Deduct: Gross capital formation	3,164	3,208	3,288	3,296	3,239	3,460	3,696	3,820	4,012	3,747
92. Federal	508	532	596	512	537	544	624	612	716	624
93. Provincial	1,068	1,056	1,068	1,056	1,062	1,144	1,280	1,384	1,344	1,288
94. Local	1,364	1,400	1,408	1,508	1,420	1,532	1,556	1,580	1,700	1,592
95. Hospitals	224	220	216	220	220	240	236	244	252	243
96. Equals: Surplus(+) or deficit(-)	1,584	1,612	1,256	660	1,278	964	1,296	1,272	224	939
97. Federal	20	- 284	276	- 60	- 12	- 696	- 172	284	- 816	- 350
98. Provincial	- 220	212	108	- 552	- 113	580	296	- 628	- 256	- 2
99. Local	408	300	- 508	- 120	20	- 280	- 216	188	- 336	- 161
100. Hospitals	284	192	256	224	239	220	132	256	368	244
101. Canada Pension Plan	852	928	820	952	888	928	996	900	1,008	958
102. Quebec Pension Plan	240	264	304	216	256	212	260	272	256	250

(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(s) 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	21,620	21,924	22,452	22,792	22,197
2. Merchandise	17,100	17,048	16,648	16,716	16,878	17,228	17,596	17,988	18,172	17,746
3. Non-merchandise	4,032	4,048	4,132	4,152	4,091	4,392	4,328	4,464	4,620	4,451
4. Deduct: Imports of goods and services	-20,320	-20,140	-20,200	-18,672	-19,833	-20,788	-21,600	-22,516	-23,672	-22,144
5. Merchandise	-14,240	-14,332	-14,032	-12,732	-13,834	-14,468	-15,340	-15,896	-16,504	-15,552
6. Non-merchandise	-6,080	-5,808	-6,168	-5,940	-5,999	-6,320	-6,260	-6,620	-7,168	-6,592
7. Add: Net current transfers abroad	48	28	-108	-52	-21	-40	56	-76	-104	-41
8. Current transfers to abroad(-)(1) ..	-356	-312	-452	-420	-385	-408	-336	-444	-512	-425
9. Current transfers from abroad(+)(2)	404	340	344	368	364	368	392	368	408	384
10. Equals: Saving(3)	860	984	472	2,144	1,115	792	380	-140	-984	12
Reconciliation with the Canadian Balance of International Payments:										
Saving as above	860	984	472	2,144	1,115	792	380	-140	-984	12
Add: Net inheritances and migrants' funds	196	152	184	124	164	296	188	216	232	233
Equals: Surplus(+) or deficit(-) on current account as per "Canadian Balance of International Payments" (4)	1,056	1,136	656	2,268	1,279	1,088	568	76	-752	245

(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	4,568	5,144	4,884	5,308	4,976
2. Adjustment on grain transactions(1)	180	180	200	268	207	136	92	176	344	187
Corporate and government enterprises										
3. Undistributed corporation profits	2,572	2,404	2,604	2,156	2,434	2,556	3,012	3,824	3,668	3,265
4. Undistributed profits of government business enterprises	276	340	376	248	310	252	372	352	348	331
5. Capital assistance	148	132	104	100	121	244	144	192	188	192
6. Inventory valuation adjustment	-380	-188	-84	-32	-171	-532	-712	-744	-500	-622
7. Government	3,600	3,644	3,340	2,724	3,327	3,164	3,700	3,768	2,880	3,378
8. Non-residents	-860	-984	-472	-2,144	-1,115	-792	-380	140	984	-12
9. Capital consumption allowances and miscellaneous valuation adjustments	9,732	9,924	10,080	9,856	9,898	10,384	10,392	10,612	10,736	10,531
10. Residual error of estimate	-820	-484	-740	240	-451	-408	-1,156	-1,412	-1,200	-1,044
11. Total	18,840	18,580	19,128	17,592	18,535	19,572	20,608	21,792	22,756	21,182

(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	18,732	19,816	20,440	20,956	19,986
2. Residential construction	3,640	3,304	3,432	3,856	3,558	3,964	4,280	4,552	4,696	4,373
3. Non-residential construction	7,936	7,984	8,220	8,500	8,160	8,644	9,124	9,380	9,444	9,148
4. Machinery and equipment	6,016	6,116	6,516	6,324	6,243	6,124	6,412	6,508	6,816	6,465
5. Value of physical change in inventories	432	692	216	-852	122	432	-364	-60	596	151
6. Residual error of estimate	816	484	744	-236	452	408	1,156	1,412	1,204	1,045
7. Total	18,840	18,580	19,128	17,592	18,535	19,572	20,608	21,792	22,756	21,182

(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 Rate
(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	2,825
14. Non-residential construction	3,808	3,784	3,768	3,768	3,782	3,772	3,688	3,712	3,780	3,738
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	39,884	40,832	41,224	41,940	40,970
2. Durable goods	4,908	5,128	5,176	5,232	5,111	5,420	5,832	5,868	6,240	5,840
3. Semi-durable goods	4,088	4,096	3,952	4,148	4,071	4,220	4,348	4,292	4,396	4,314
4. Non-durable goods	15,552	15,472	15,892	16,240	15,789	16,352	16,696	16,844	16,868	16,690
5. Services	13,436	13,584	13,756	13,780	13,639	13,892	13,956	14,220	14,436	14,126
6. Government current expenditure on goods and services	9,508	9,648	9,628	9,860	9,661	9,968	9,896	10,188	10,344	10,099
7. Gross fixed capital formation	13,736	13,560	14,092	14,312	13,925	14,180	14,756	14,956	15,268	14,790
8. Government	2,444	2,480	2,516	2,560	2,500	2,620	2,732	2,832	2,880	2,766
9. Residential construction	16	16	16	12	15	16	16	16	20	17
10. Non-residential construction	2,156	2,188	2,208	2,260	2,203	2,300	2,404	2,504	2,536	2,436
11. Machinery and equipment	272	276	292	288	282	304	312	312	324	313
12. Business	11,292	11,080	11,576	11,752	11,425	11,560	12,024	12,124	12,388	12,024
13. Residential construction	2,628	2,352	2,416	2,676	2,518	2,720	2,912	3,004	3,056	2,923
14. Non-residential construction	3,856	3,880	3,980	4,072	3,947	4,052	4,152	4,140	4,116	4,115
15. Machinery and equipment	4,808	4,848	5,180	5,004	4,960	4,788	4,960	4,980	5,216	4,986
16. Value of physical change in inventories	132	472	92	- 528	42	396	- 252	- 108	616	163
17. Government	- 4	- 4	-	- 52	- 15	- 36	- 20	- 92	28	- 30
Business										
18. Non-farm	372	604	524	- 460	260	180	- 284	92	600	147
19. Farm and grain in commercial channels	- 236	- 128	- 432	- 16	- 203	252	52	- 108	- 12	46
20. Exports of goods and services(2)	17,428	17,324	17,044	17,108	17,226	17,768	17,960	18,180	18,456	18,091
21. (of which: merchandise)	(4,540)	(4,448)	(4,120)	(4,188)	(4,324)	(14,772)	(15,072)	(15,228)	(15,432)	(15,126)
22. Deduct: Imports of goods and services(2)	-16,976	-16,744	-16,932	-15,744	-16,599	-17,376	-17,872	-18,284	-19,384	-18,229
(of which: merchandise)	(12,384)	(12,420)	(12,316)	(11,348)	(12,117)	(12,732)	(13,336)	(13,548)	(14,232)	(13,462)
24. Residual error of estimate	628	368	564	- 180	345	308	848	1,024	860	760
25. GROSS NATIONAL EXPENDITURE IN CONSTANT (1961) DOLLARS	62,440	62,908	63,264	64,228	63,210	65,128	66,168	67,180	68,100	66,644

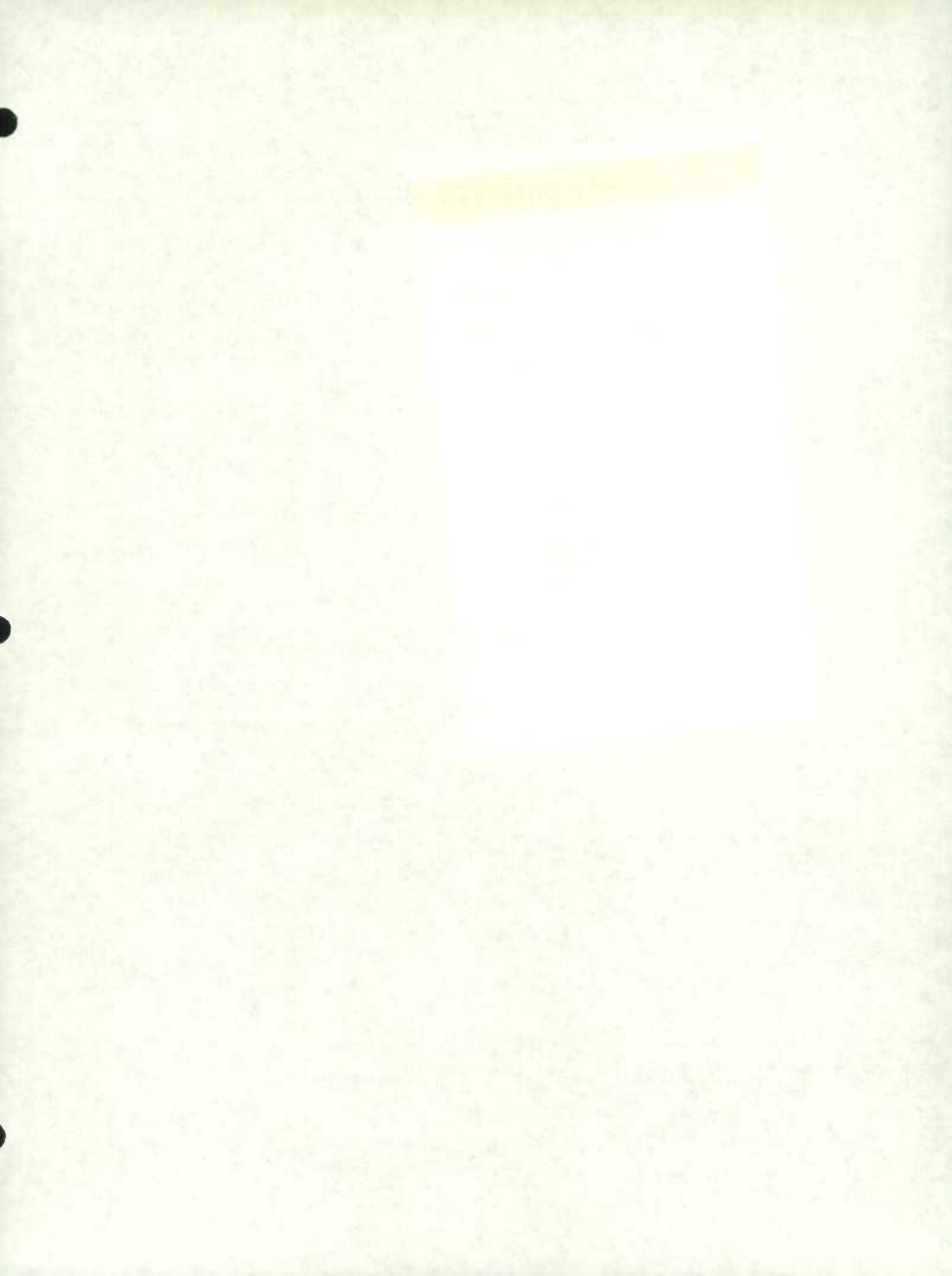
(1) See footnote 1, Table 10.
(2) See footnote 2, Table 10.

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	128.0	129.5	130.5	131.1	129.8
2. Durable goods	109.5	109.4	109.4	109.5	109.5	110.4	110.8	111.4	110.8	110.9
3. Semi-durable goods	125.1	125.7	126.0	126.1	125.7	125.7	126.9	128.1	128.8	127.4
4. Non-durable goods	123.2	123.7	123.1	121.8	122.9	122.7	125.2	126.1	126.7	125.2
5. Services	136.7	137.5	138.9	140.3	138.4	141.7	143.3	144.4	145.7	143.8
6. Government current expenditure on goods and services	158.0	162.8	165.8	167.4	163.6	170.4	175.4	174.8	180.8	175.4
7. Gross fixed capital formation	128.1	128.3	128.9	130.5	129.0	132.1	134.3	136.7	137.3	135.1
8. Government	129.8	129.2	130.2	131.1	130.1	133.9	136.3	137.9	138.2	136.6
9. Non-residential construction	131.9	130.9	132.1	132.9	132.0	136.0	138.6	139.9	140.4	138.8
10. Machinery and equipment	113.2	114.5	115.1	116.7	114.9	117.1	117.9	120.5	121.0	119.2
11. Business	127.7	128.2	128.6	130.4	128.7	131.7	133.8	136.4	137.0	134.8
12. Residential construction	137.7	139.5	141.1	143.5	140.5	144.9	146.2	150.7	152.7	148.8
13. Non-residential construction	132.1	132.0	133.3	135.0	133.1	136.1	139.5	141.9	143.0	140.1
14. Machinery and equipment	118.7	119.6	119.3	119.7	119.3	120.5	121.9	123.1	123.2	122.2
15. Exports of goods and services	121.3	121.8	121.9	122.0	121.7	121.7	122.1	123.5	123.5	122.7
16. (of which: merchandise)	117.6	118.0	117.9	117.8	117.8	116.6	116.7	118.1	117.8	117.3
17. Deduct: Imports of goods and services	119.7	120.3	119.3	118.6	119.5	119.6	120.9	123.1	122.1	121.5
18. (of which: merchandise)	115.0	115.4	113.9	112.2	114.2	113.6	115.0	117.3	116.0	115.5
19. GROSS NATIONAL EXPENDITURE	132.4	133.2	134.3	134.5	133.6	135.8	137.8	138.9	140.3	138.1



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