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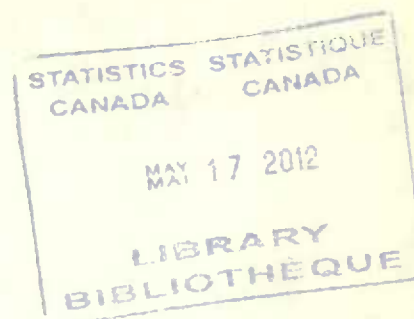
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NATIONAL ACCOUNTS
INCOME AND EXPENDITURE
1950 - 1956

DOMINION BUREAU OF STATISTICS
Research and Development Division

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NATIONAL ACCOUNTS INCOME AND EXPENDITURE

1950 - 1956

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INTRODUCTION

Review of the Year 1956

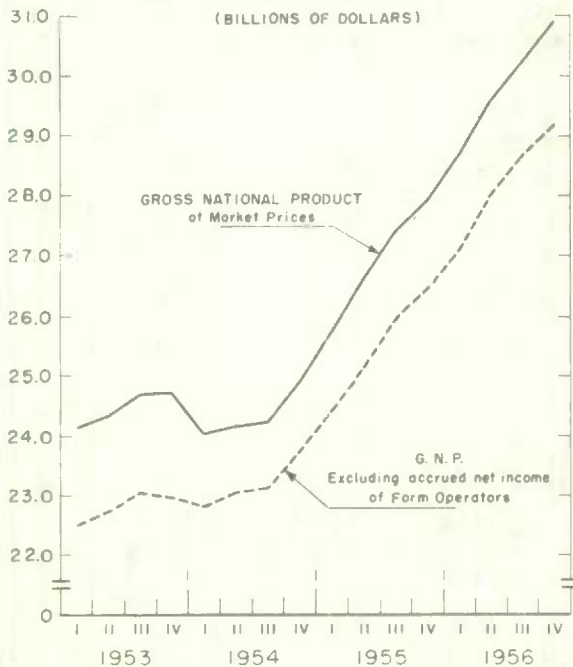
Economic activity continued to expand rapidly in 1956, following the pronounced upswing of the year 1955. The sustained advance brought the value of all goods and services produced to a level approximately 11 per cent above the year 1955; the Gross National Product rose to \$29.9 billion, compared with \$26.9 billion in the previous year. With final product prices higher by between 3 and 4 per cent, the gain in the physical volume of output in 1956 amounted to about 7 per cent. This increase in the physical volume of production was the second largest in the post-war period, being exceeded only by the record advance of 9 per cent in 1955.

It may be recalled that in 1955 the economy was moving up from the mild 1953-1954 recession, during which time some unutilized capacity had developed as a result of the continued growth in the labour force and in productive facilities. This margin of "slack" made possible the very large increase of 9 per cent in the total volume of output in 1955. The overall level of prices showed little change. In 1956, however, the economic advance

occurred in a situation of developing tightness in the supply of both manpower and materials, with the result that the gain in output, though still large, was smaller than in 1955, while upward pressures on prices were more in evidence than at any time during the past five years. Thus, the advance in the volume of output of 7 per cent in 1956 was accompanied by a rise in the overall level of of prices of between 3 and 4 per cent.

The major expansionary factor behind the economic advance in 1956 was the very great increase in business capital investment outlays for new construction and machinery and equipment, which were higher by 33 per cent. While in 1955, consumer expenditures, housing and exports together provided the most important impetus on the demand side, in 1956 the emphasis shifted to business investment outlays which accounted for close to half of the rise in the nation's total spending. (With inventory investment included, the proportion is well over 50 per cent). Despite the pronounced shift toward investment spending, however, both consumer expenditures and exports showed increases in 1956 which were close to those of the

GROSS NATIONAL PRODUCT AVERAGED \$29.9 BILLION
IN 1956, 11 PER CENT ABOVE THE PREVIOUS YEAR
(At Seasonally Adjusted Annual Rates)
(BILLIONS OF DOLLARS)



PRICE FACTORS ACCOUNTED FOR ABOUT ONE-THIRD OF
THE INCREASE IN GROSS NATIONAL PRODUCT, BUT THE
GAIN IN THE VOLUME OF PRODUCTION WAS 7 PER CENT



year 1955 in percentage terms. Housing outlays, which rose steeply in 1955, showed only a small rise in 1956, reflecting competing demands on the

available supply of credit and shortages of serviced land in some municipalities. These changes in the pattern of demand are shown in the table below.

Value Changes in Selected Components of Gross National Expenditure, 1955 and 1956

	Per cent change 1954 to 1955	Per cent change 1955 to 1956
Personal Expenditure.....	8	8
Government Expenditure	7	10
Residential Construction.....	27	5
Non-Residential Construction.....	11	38
Machinery and Equipment	6	29
Exports.....	12	10
Total Final Purchases (ex. inventories).....	9	12
Imports of Goods and Services	15	20
Gross National Expenditure	11	11

The total supply of goods and services available to meet these various demands in 1956 was higher than in the previous year by about \$4 billion, or by more than 12 per cent. However, about one-third of this supply was met out of imports of goods and services, which rose by \$1.3 billion (20 per cent). The increase in supply coming out of Canadian production amounted to close to \$3 billion, an advance over the previous year of 11 per cent. With imports contributing such a high proportion of the total available supply of goods and services, the deficit on current international account widened appreciably, amounting to \$1.4 billion compared

with \$0.7 billion in 1955. The heavy inflow of imports in 1956 reflected in part the demands of the capital investment program, with about 60 per cent of the increase over the previous year concentrated in machinery and equipment items and other iron and steel products. However, the increase in imports was also quite general throughout other commodity groups.

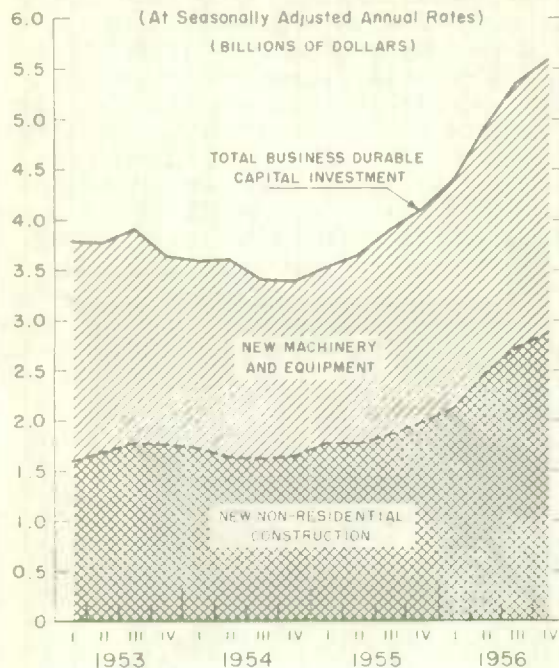
A summary of the changes in the supply and disposition of goods and services between the two years is given in the accompanying table.

Changes in Components of Gross National Expenditure

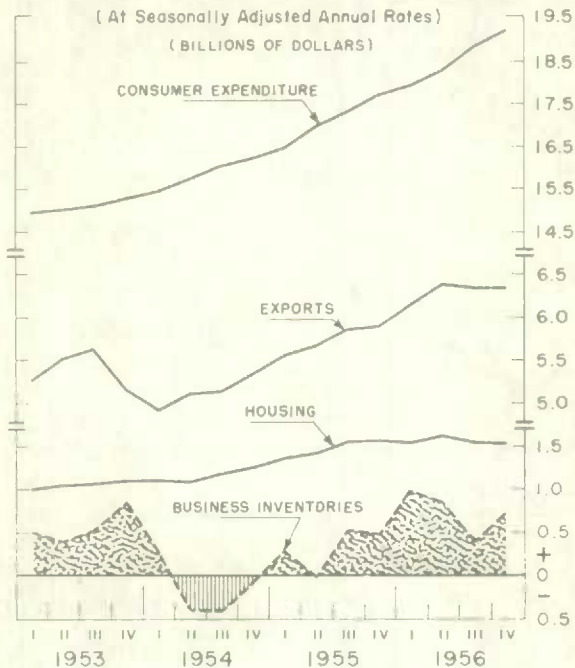
	1955	1956	Change	Change
	(\$ billion)			(%)
Business Investment:				
New Non-Residential Construction	1.8	2.5	+ 0.7	38.0%
New Machinery and Equipment	1.9	2.5	+ 0.6	29.0%
Inventories.....	0.5	0.9	+ 0.4	N.A.
(Business)	(0.3)	(0.7)	+(0.4)	N.A.
Sub-Total	4.3	6.0	+ 1.7	39.4%
Other Purchases:				
Consumer Expenditures	17.1	18.6	+ 1.4	8.3%
Government Expenditures	4.7	5.2	+ 0.5	10.2%
New Residential Construction	1.5	1.6	+ 0.1	5.1%
Exports.....	5.8	6.3	+ 0.6	9.7%
Sub-Total	29.1	31.6	+ 2.5	8.7%
Total Final Purchases Plus Inventory Investment (total available supply).....	33.4	37.6	+ 4.2	12.7%
Less Imports	- 6.4	- 7.7	- 1.3	19.7%
Gross National Expenditure (Canadian production).....	26.9	29.9	+ 3.0	11.0%

Note: Figures will not add by +.1 or -.1 due to rounding.

THE MAJOR EXPANSIONARY FACTOR IN THE ECONOMY IN 1956 WAS BUSINESS CAPITAL OUTLAY FOR NEW PLANT, MACHINERY AND EQUIPMENT



CONSUMER EXPENDITURE, EXPORTS AND INVENTORY INVESTMENT ALSO PROVIDED STRONG ELEMENTS OF DEMAND, BUT OUTLAYS FOR HOUSING WEAKENED



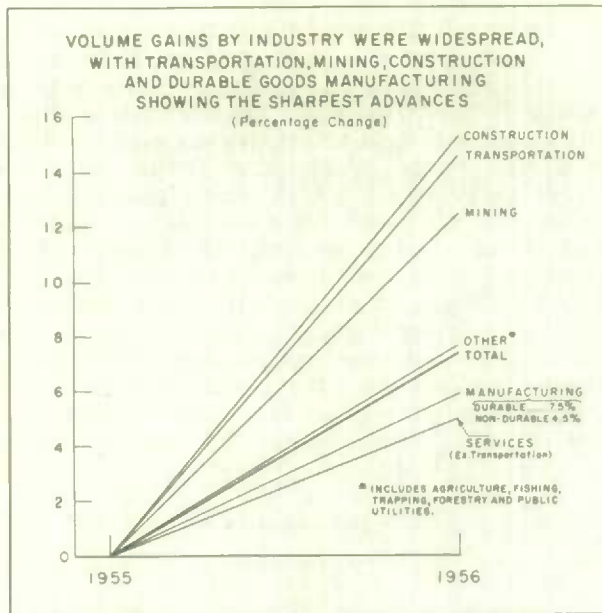
Underlying the large advance in investment spending in 1956 was the sharp increase in world demand for products of Canada's resource based industries, and the growing pressure to expand facilities in the fuel, power and transportation fields. Prominent among these developments was the addition to capacity in pulp and paper, metal mining and refining, chemicals, uranium, gas and oil, pipe-lines, and electric power, including the St. Lawrence Seaway project. The result was the largest increase in capital investment outlays in dollar terms since the end of the war.

Turning now to a review of changes in industrial activity, it is estimated that agricultural output rose by about 8 per cent in 1956, and non-agricultural production by somewhat more than 7 per cent. The figures given are in volume terms. In the agricultural sector, this production gain was largely accounted for by the higher western grain crop which was above average for the second year in succession.

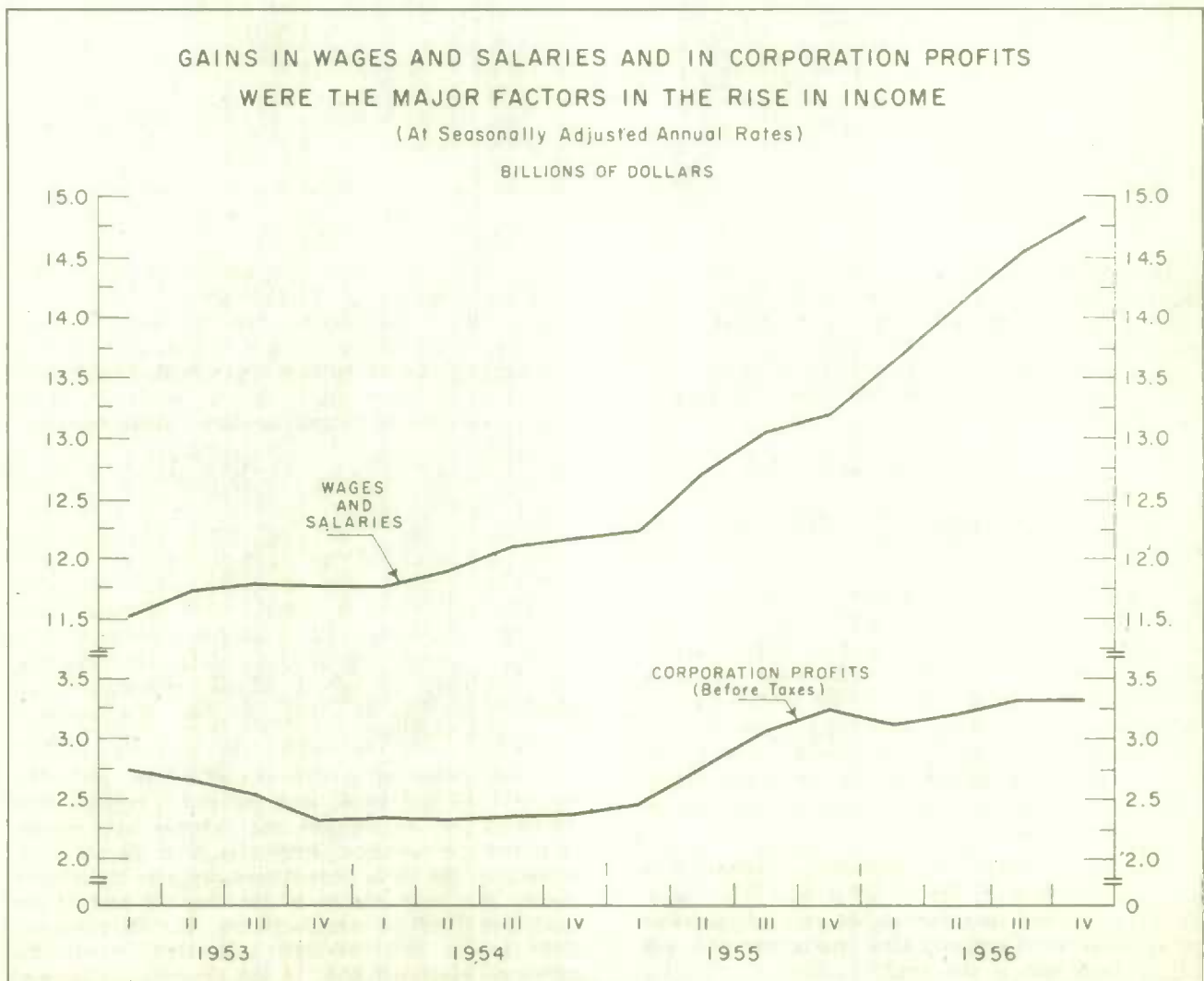
In the non-agricultural sector, production gains were widespread, with transportation, mining and construction showing the most striking increases. Manufacturing output rose by about 6 per cent, with an advance in durable goods production of 8 per cent, and in non-durable goods production of 5 per cent. Within the durable goods group, production of iron and steel products showed the sharpest

gain, rising by 14 per cent; production in the non-metallic minerals group was up by 11 per cent, transportation equipment and non-ferrous metal products by 6 per cent, and electrical apparatus and supplies by 3 per cent. These gains in the output of hard goods and industrial equipment items and construction materials were related to the needs of the capital investment program, the strong export market for basic metals and their products, and higher levels of consumer purchases of durable goods. In the non-durable manufacturing group, gains were also widespread, with increases of 5 per cent or more in tobacco, rubber, leather, clothing, paper products, printing and publishing, and petroleum and coal.

Outside the manufacturing field, output in mining, quarrying and oil wells rose by 13 per cent, reflecting large gains in the production of petroleum, iron ore and copper. Exports of these products increased sharply in 1956. The other primary industries of forestry and public utilities showed gains of about 8 per cent while fishing and trapping rose more moderately. Related indicators suggest that the volume of construction activity rose 16 per cent and transportation, storage and communication services increased somewhat less than 15 per cent. Retail and wholesale sales volume was up an estimated 8 per cent while activity in the other service industries showed smaller gains compared with 1955.



Associated with these developments on the production side in 1956, both personal and business incomes continued to expand, reflecting for the most part advances in wages and salaries and in investment income, including corporation profits. The gains in these two important income categories accounted for the greater part of the enlarged flow of income during the course of the year. Thus, wages and salaries were approximately 12 per cent above the level of the year 1955, while investment income was about 10 per cent higher, with corporation profits rising by 13 per cent. At the same time, a further increase occurred in the net income of farm operators in 1956, reflecting mainly the higher level of crop production, which was about \$175 million above the year 1955. Net increases of non-farm unincorporated business were also higher by 9 per cent. National Income as a whole reached a level approximately 11 per cent above the previous year.



The total number of persons with jobs rose by 4 per cent in 1956, or by some 200,000 persons. About half of this striking increase in employment was made possible by the natural increase in adult population together with additions to the labour force through immigration. The other half reflected a drop in unemployment and the drawing into the labour market of members of the population who had not previously sought employment. There was a further transfer of workers from agricultural to non-agricultural employment in 1956, so that persons with jobs in the non-agricultural sector of the economy rose by about 5 per cent. Persons without jobs and seeking work in 1956 were 22 per cent below the average of the preceding year, and amounted to about 3 per cent of the total labour force.

Prices in 1956 were higher than a year ago in all categories of the Gross National Expenditure. Prices of machinery and equipment items were up by almost 6 per cent, while the price factor in new non-residential construction was up by about 6 per cent. Residential construction prices were also higher by about 4 per cent over a year ago. Both exports and imports of goods and services advanced in price by about 3 per cent. The price factor in consumer expenditure increased by over 1 per cent in the year-to-year comparison, but it should be noted that consumer prices rose more sharply after mid-year; between May and December the increase in the consumer price index was more than 3 per cent, mainly attributable to a more than seasonal rise in food prices, which had previously been declining.

Value, Price and Volume Percentage Changes in Gross National Expenditure Components, 1955 to 1956

	Value	Price	Volume
Personal Expenditure	8.3	1.4	6.7
Non-Durable Goods	8.7	1.0	7.6
Durable Goods	7.4	1.2	6.1
Services	7.8	2.7	5.0
Government Expenditure	10.2	5.5	4.4
Gross Domestic Investment (ex inventories)	25.4	5.4	18.9
Residential Construction	5.1	3.6	1.4
Non-Residential Construction	38.0	5.9	30.4
Machinery and Equipment	29.0	6.2	21.5
Exports	9.7	2.7	6.8
Imports	19.7	3.2	16.0
Total Gross National Expenditure (after inventory re-valuation)	10.6	3.2	7.2

To review, the major developments of the year 1956 as reflected in the National Accounts may be summarized as follows:

- (1) A gain in the physical volume of production of 7 per cent.
- (2) A very large advance in fixed capital investment expenditures by business for plant, machinery and equipment.
- (3) A weakening in outlays for housing construction during the course of the year.
- (4) A sharp rise in imports and in the current account deficit, accompanied by a gain in exports comparable to 1955's increase.
- (5) Upward pressures on prices which became evident in all major segments of Gross National Expenditure, but more particularly in construction and machinery and equipment items.
- (6) An increase in consumer expenditures equivalent to that of the year 1955.
- (7) A marked increase in the rate of business inventory accumulation, particularly in the first half of the year.
- (8) Gains in national and personal income of 11 and 10 per cent.

COMPONENTS OF GROSS NATIONAL PRODUCT

Wages, Salaries and Supplementary Labour Income

Labour income rose to nearly \$14.3 billion in 1956, a gain of almost 12 per cent from the 1955 level. This increase compares with a 7 per cent advance between 1954 and 1955. The gain was associated with the rise in employment in the non-agricultural sector of the economy, which amounted to more than 5 per cent, and higher average hourly earnings, which were up by almost 6 per cent. With consumer prices moderately above the 1955 average, this increase in labour income represented the sharpest advance in "real" earnings per capita in the post-war period.

All industrial groups shared in the gains between 1955 and 1956, with increases ranging from 10 to 19 per cent. Wages and salaries in construction led the advance, with a gain of 19 per cent, reflecting the large investment program undertaken during the year. Gains of between 10 and 11 per cent occurred in manufacturing, the distributive, and finance and services industries. Among the primary industries most of the components showed increases, with forestry and mining advancing 19 per cent and 14 per cent respectively.

The quarter to quarter movement of labour income was continuously upward in 1956. In the fourth quarter, labour income was running at a seasonally adjusted annual rate of \$14.8 billion, about 4 per cent above the annual average for the year 1956 as a whole.

Investment Income

Investment income amounted to \$4.8 billion in 1956, a gain of 10 per cent over the 1955 level. All components of investment income shared in the gains, with over four-fifths of the total increase attributable to the rise in corporation profits of 13 per cent. Preliminary profits data for 1956 indicate that the largest gains occurred in iron and steel manufacturing (28 per cent); petroleum and coal (17 per cent); mining (11 per cent); transportation, storage and communication (24 per cent); public utilities (16 per cent); and wholesale trade (27 per cent).

It may be noted that the rate of increase of corporation profits in 1956 was substantially less than the quarter to quarter gains of early 1955. From the first to third quarters of 1956, corporation profits rose by only 2 per cent compared with 20 per cent in the same period of 1955.

Interest, dividends and net rental income received by persons rose by 7 per cent in 1956,

reflecting a gain of 14 per cent in dividend payments and increases in interest receipts of individuals from mortgages, bonds, bank deposits, and on savings in life insurance. Government investment income rose by 11 per cent, associated with increased trading profits of government business enterprises and higher interest revenues.

Net Income of Unincorporated Business

Accrued net income of farm operators from farm production in 1956 amounted to \$1.6 billion, a rise of \$200 million or 15 per cent above the year 1955. The gain reflects mainly the higher level of crop production in 1956 which is estimated at \$175 million above the preceding year.

Preliminary estimates of farm cash income in 1956 indicate a gain of almost 13 per cent over the 1955 figure. Increased returns from sale of grains, cattle, hogs, poultry, eggs, and larger participation payments from the Canadian Wheat Board were mainly responsible for the increase.

Holdings of farm inventories of grain and livestock were higher in 1956 than in 1955, but the build-up was not as large as in the earlier year, reflecting the heavier marketings of 1956. The following table shows the consolidated operating account of farm operators for the years 1955 and 1956.

	1955	1956	Change 1956 over 1955
	(millions of dollars)		
Farm Cash income	2,352	2,656	304
Income in kind	405	406	1
Farm inventory change	211	169	- 42
Gross income	2,968	3,231	263
Deduct:			
Farm operating expenses	1,298	1,349	51
Depreciation	249	252	3
Add:			
Adjustment on grain transactions	22	20	- 2
Other adjustments	- 39	- 42	- 3
Accrued net income of farm operators from farm production	1,404	1,608	204

Net income of non-farm unincorporated business rose to \$1.9 billion in 1956, a gain of 9 per cent over the previous year. All industrial groups shared in the increase, but the major gains were concentrated in construction, retail trade, and the service groups; these accounted for four-fifths of the total increase.

Indirect Taxes less Subsidies

Indirect taxes less subsidies amounted to \$3.6 billion in 1956, an increase of 11 per cent over 1955. At the federal level the increase also amounted to 11 per cent, reflecting for the most part gains in customs import duties and in federal

excise duties and excise taxes. The 21 per cent rise in import duties reflected the continued climb in imports, while higher excise duties and excise taxes, both up 10 per cent over 1955, reflected a marked increase in shipments of commodities subject to these types of taxes. Substantially higher subsidies were mainly due to payments made to cover carrying costs of temporary wheat reserves. Provincial indirect taxes were higher by 14 per cent in 1956, with the main contributing factors being increased revenues from gasoline taxes, motor vehicle licenses, and public domain revenue. The increase of 9 per cent in municipal indirect taxes was largely ascribable to higher real and personal property taxes, reflecting the continued high investment in residential and non-residential construction.

Depreciation Allowances and Similar Business Costs

Depreciation allowances and similar business costs increased by 9 per cent in 1956 to reach a total of \$3.2 billion. The major part of the increase can be attributed to higher corporation capital cost allowances, mining development write-offs and depreciation on residential real estate.

COMPONENTS OF GROSS NATIONAL EXPENDITURE

Personal Expenditure on Consumer Goods and Services

Personal expenditure on consumer goods and services rose by 8 per cent in 1956 to a record \$18.6 billion. The increase was associated with a 10 per cent rise in personal income. Non-durable goods purchases rose by 9 per cent, while outlays for durables and services were up by 7 per cent and 8 per cent respectively. Non-durable goods purchases accounted for about two-thirds of the total increase in 1956. Gains were widespread, with major advances in the food and clothing groups, household supplies, and purchases related to motor vehicle transportation.

In the durable goods group, home furnishings, furniture and new passenger cars were each higher by about 8 per cent. Sales of most major appliances and radios also increased in 1956, but sales of television sets declined.

The gain in the service component of personal expenditure in 1956 was widely spread, with an important portion attributable to increases in household rents and purchased transportation.

Consumer prices in 1956 were about 1 per cent higher than 1955, so that the volume gain in personal expenditure was about 7 per cent. The increase in the volume of per capita consumption was about 4 per cent. As in the previous year, the major price increase was in the service component, with prices of durable and non-durable goods up only about 1 per cent. As has been noted previously, however, prices of consumer goods were showing more marked increases after mid-year.

Government Expenditure on Goods and Services

Government expenditure on goods and services by all levels of government (federal, provincial and municipal) amounted to \$5.2 billion in 1956, an increase of 10 per cent over 1955. Increased capital investment notably at the provincial level, together with higher wage and salary payments were the main contributing factors. Defence expenditures showed little change at \$1.8 billion.

Gross Domestic Investment (excluding inventories)

The dominant factor in the nation's spending in 1956 was the enormous increase in business capital investment outlays for plant, machinery and equipment, which rose from \$3.8 billion in 1955 to \$5.1 billion in 1956, a gain of 33 per cent in value terms. With the exception of the year 1947, this was by far the largest year-to-year percentage increase in business investment outlays in the post-war period. After allowing for price increases in investment-type goods, the advance in the physical volume of plant and equipment put in place was 26 per cent. These gains were concentrated heavily in projects associated with resource development, fuel and energy requirements, and the processing of primary commodities. Thus, investment in mining, quarrying and oil wells was 60 per cent above the year 1955. Investment in electric power and gas was up 49 per cent. Investment in transportation, communication and storage was up 32 per cent. In manufacturing, the major gains were in paper products, iron and steel products, chemicals, non-ferrous metal products, and non-metallic mineral products. The advances in these areas brought the overall increase in investment in manufacturing as a whole to a level about 42 per cent above the year 1955. As a percentage of Gross National Product, business fixed capital outlays (excluding housing) amounted to 17 per cent in 1956, compared with 14 per cent in 1954 and 1955.

Despite this very large volume of investment put in place in 1956, the program fell somewhat short of the intentions expressed in the mid-year investment survey published by the Department of Trade and Commerce. A considerable carry-over of unfinished projects is being carried into 1957. The outlook for 1957 is for an increase in value terms of 21 per cent in private investment in non-residential construction and 13 per cent in investment in new machinery and equipment.

The investment in new non-residential construction rose by 38 per cent in 1956 to an average annual rate of \$2.5 billion. This large increase was accompanied by sharp gains in employment in buildings and structures (up 18 per cent), and in average hourly earnings in the construction trades (up between 8 and 9 per cent). Average hours worked per week were higher by 4 per cent. The price factor in new non-residential construction rose by 6 per cent in 1956, so that the gain in physical volume was somewhat less than the value figures indicate.

Outlays for new machinery and equipment in 1956 were higher by 29 per cent than in the previous year. Domestic shipments of machinery and equipment rose by 21 per cent. Imports of machinery and equipment supplied a major part of the program, and non-agricultural machinery and equipment imports rose by 43 per cent. It may be noted that two-thirds of the increase in commodity imports in 1956 was concentrated in iron and steel products, much of which represented engineering and structural materials associated with the investment program. The price factor in machinery and equipment rose by 6 per cent in 1956. In physical volume terms, machinery and equipment put in place was about 22 per cent above the preceding year.

Investment in residential construction in 1956 rose by 5 per cent, to an average annual rate of \$1.6 billion. However, the price factor in residential building was nearly 4 per cent above the previous year, so that in volume terms the advance was relatively slight. While 127,000 housing units were started in 1956, the rate of starts was falling during the year and had reached 115,000 units by the last quarter of the year, on a seasonally adjusted basis. The very high rate of starts in the latter part of 1955 contributed to the record 136,000 completions in 1956. The estimate for investment in housing in 1957 assumes that starts will remain at the seasonally adjusted rate of the fourth quarter of 1956, and that about 110,000 units may be completed, which would involve a 22 per cent reduction in volume. The anticipated decline in housing is related to the higher cost and more limited availability of mortgage funds, and to the shortage of serviced land in some localities.

Investment in Inventories

A marked building-up of inventories occurred in 1956, amounting in total to about \$950 million. This was the largest accumulation since 1951, occurring at a time when a number of factors were emerging which had been absent in the intervening years. The substantial build-up of raw material inventories at the manufacturing level, especially in hard goods and construction and equipment items was associated with the requirements of the heavy capital investment program which was the largest since the end of the war. This development was accompanied by continuing higher levels of personal expenditures and a strong export market which necessitated a building-up of working stocks in industries catering to these areas of demand. At the same time, the possibility of dislocation in the supply of basic materials arising out of pending industrial negotiations may have been a factor in the build-up in the early part of the year. Finally, inventory developments in 1956 were undoubtedly influenced by the fairly general increases in prices which were in evidence late in 1955, and which, in the light of the factors noted above, might be expected to continue into 1956.

Nearly 80 per cent (\$740 million) of the total inventory build-up in 1956 took place in business holdings of inventories (apart from farm stocks and commercially held grain in storage), and about two-thirds of this occurred in the first half of the year. The increase in business holdings was quite diversified. More than \$200 million of the investment was in the form of raw materials held by manufacturers. However, manufacturers also had a higher level of goods in process and finished products on hand at the close of 1956 than at the beginning of the year, with the result that the increase in total manufacturers' stocks amounted to approximately \$450 million. The increase was most pronounced in the iron and steel group, transportation equipment, non-ferrous metals, electrical apparatus, pulp and paper products, and other groups closely associated with the domestic investment program and export markets. The major part of the balance of business inventory accumulation, amounting to about \$300 million was concentrated in holdings at the retail and wholesale levels. Increased holdings of automobiles accounted for about one-quarter of the total accumulation in trade channels. Other substantial increases occurred in food and apparel items, household furniture and appliances, and construction and industrial equipment products. The effect of higher prices on inventory book values was more apparent in 1956 than in recent years, apparently accounting for nearly one-half of the increases in the total value of holdings.

The overall build-up in inventories in 1956 appeared to be consistent with the higher level of economic activity, and in particular with the increase in final sales. Thus, while total final expenditures rose by 12 per cent in 1956, the increase in business inventory book values during the year amounted to about 10 per cent. Only in some specific lines such as some of the consumer durable items had stock-sales ratios increased appreciably by the end of the year. In general, these ratios were only moderately higher than at the close of 1955, and remained below the levels of 1953 and 1954. It may be noted that at the end of December, 1956, both new orders and unfilled orders in manufacturing were at levels well above December, 1955, suggesting that for this group the higher inventory holdings were related to sales commitments.

Exports and Imports of Goods and Services

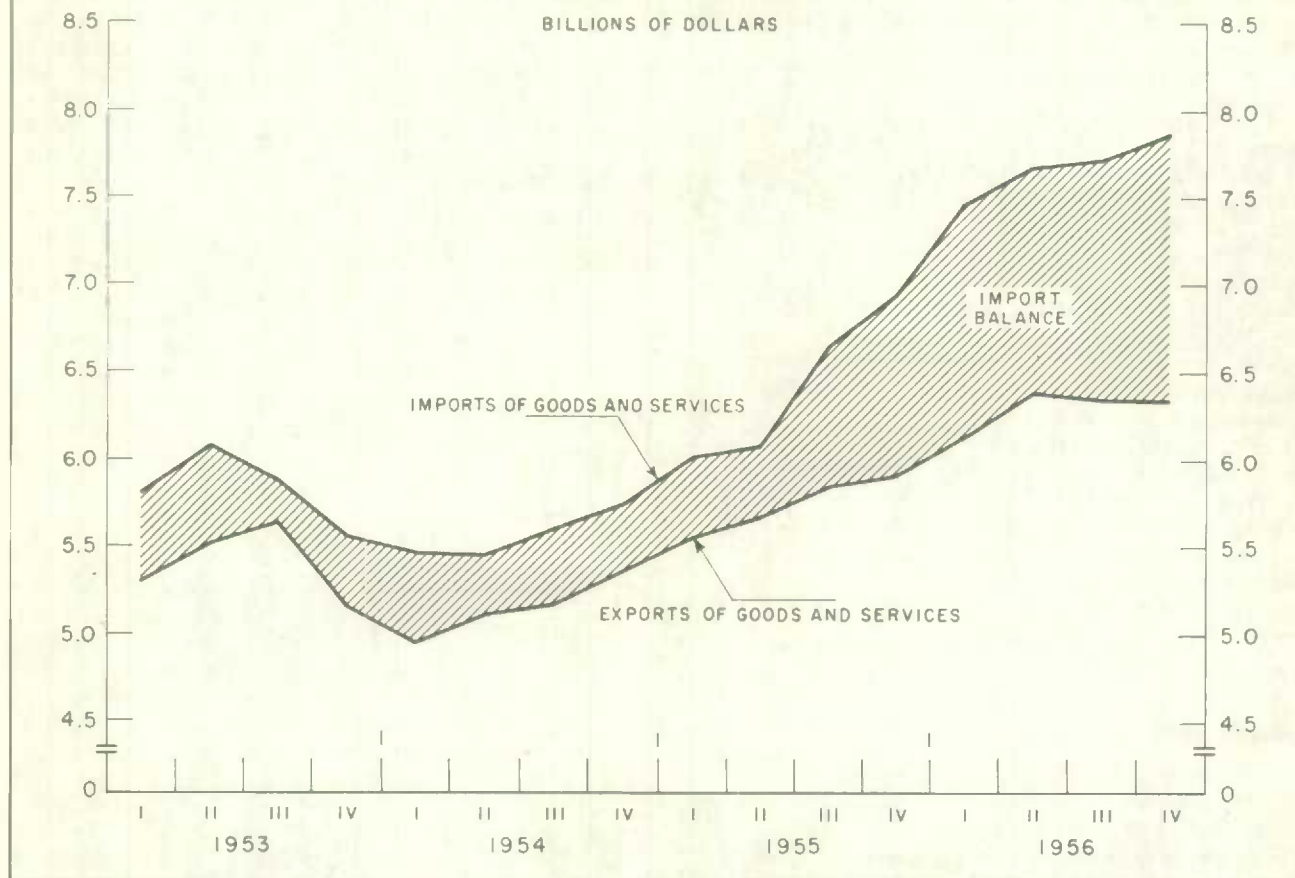
Canadian exports of goods and services in 1956 rose to \$6.3 billion, 10 per cent above the previous year's level. Price rises accounted for a little less than one-third of this increase. The expanding volume of exports reflected, in part, new capacity in resource development industries with a continuing high level of economic activity in the United States and overseas countries. Agricultural exports accounted for about 40 per cent of the total increase in commodities, associated with the sharp upturn in the sale of wheat, which advanced by 52 per cent. Iron and its products, petroleum, uranium,

and other metals and minerals also increased significantly. While the wood and wood product group showed little change, there was some reduction in the export of lumber. Exports of most service

items also increased but receipts of interest and dividends declined by about 12 per cent, mainly as a result of the exclusion of interest on the 1946 loan to the United Kingdom.

IMPORTS ROSE MORE SHARPLY THAN EXPORTS IN 1956 AND THE DEFICIT ON CURRENT ACCOUNT AMOUNTED TO \$1.4 BILLION

(At Seasonally Adjusted Annual Rates)



Imports of goods and services in 1956 increased by 20 per cent, to a level of \$7.7 billion. Most of this increase was accounted for by the greater physical volume of imports; prices of imported goods and services rose on the average by about 3 per cent. The large advance in the imports in 1956 was associated with the sharp expansion of industrial activity in Canada, especially the heavy demands of the capital expenditure program, and the continued growth of consumer expenditures. Of particular importance was the 39 per cent increase in imports of iron and its products, which accounted for one-half of the increase in total imports of goods and services, and for close to two-thirds of the increase in commodity imports. Other commodity groups also showed marked increases, notably non-

metallic minerals and non-ferrous metals. The service portion of imports also advanced widely in 1956, associated with higher payments for transportation, increased tourist expenditures abroad, and a rise in remittances of dividends.

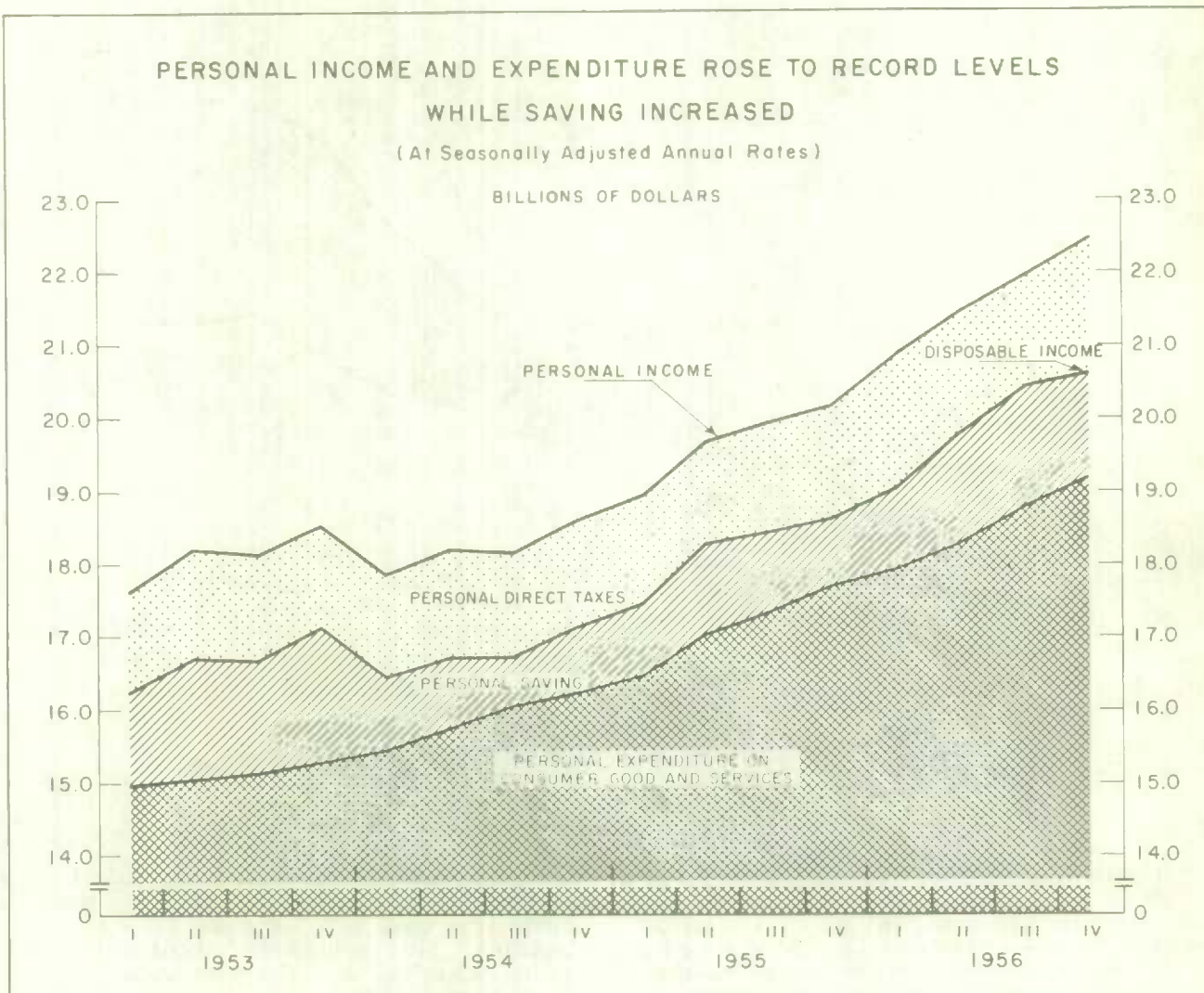
With imports increasing more sharply than exports in 1956, Canada's deficit on current account climbed to \$1.4 billion. This was more than twice the size of the previous year's deficit. Canada's deficit on trade with the United States increased by \$0.6 billion in 1956, while her surplus on trade with the United Kingdom declined by \$0.1 billion. The small surplus with other overseas countries showed little change.

Personal Income and Saving

Personal Income amounted to \$21.7 billion in 1956, a gain of \$2.0 billion or 10 per cent over the previous year. All components of Personal Income were higher, with \$1.5 billion of the advance accounted for by increased wage and salary payments, \$0.2 billion to higher farm income, \$0.2 billion to higher unincorporated non-farm business income, and the remainder to interest, dividends, and net rental income of persons. "Real" personal income per capita showed the sharpest advance of the post-war period.

Turning to the disposition of Personal Income, personal expenditure on consumer goods and services rose by 8 per cent in 1956, with outlays for durables, non-durables and services showing gains of from 7 to 9 per cent. Personal direct taxes showed a very sharp advance of 15 per cent, reflecting the sizeable gains in taxable incomes and the progressive nature of the tax structure.

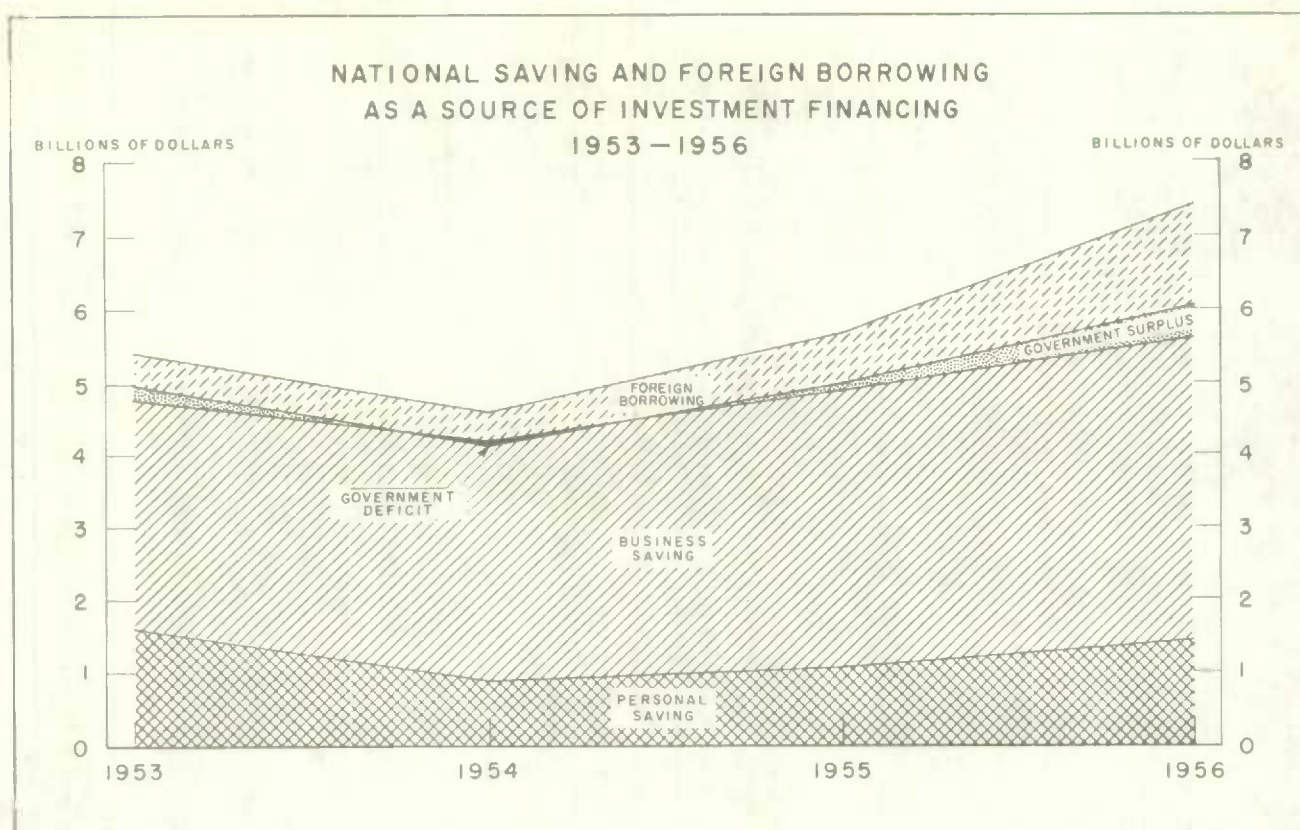
Personal Saving rose to \$1.4 billion in 1956, compared with \$1.1 billion in the previous year. As a percentage of Personal Income, Personal Saving was 6.6 per cent in 1956 compared with 5.4 per cent in 1955.



National Saving and Investment

Gross National Saving rose by 21 per cent in 1956, from approximately \$5.1 billion in 1955 to \$6.1 billion. This increase was attributable to higher levels of personal and business saving, each of which contributed \$0.4 billion to the total gain; and to an increase in the surplus of the consoli-

dated government account which contributed an additional \$0.3 billion. The increase of \$0.4 billion in business saving was accounted for by a gain of \$0.3 billion in depreciation allowances and \$0.1 billion in undistributed corporation profits. National saving was 20 per cent of Gross National Product in 1956, compared with 19 per cent in 1955.



Despite the sharply increased level of the nation's saving in 1956, the amount available was nevertheless insufficient to support the expanded program of capital investment in plant, machinery and equipment, housing, and inventories. Thus, while national saving was at a rate of \$6.1 billion, the total domestic investment program, including inventories, amounted to \$7.5 billion. The short-fall in the nation's saving was met by drawing upon foreign resources, and the deficit on current account

in 1956 amounted to \$1.4 billion, approximately double the deficit sustained in 1955.

This movement in the current account deficit in 1956 was matched by a sharp rise in the rate of capital inflow, which in some cases provided the initial stimulus to investment, as well as the means by which the net addition to the supply of goods and services from non-resident sources was financed.

	1955	1956	Change 1955 to 1956
(billions of dollars)			
Gross Private Saving:			
Personal saving	1.1	1.4	+0.4
Undistributed corporation profits	0.9	1.0	+0.1
Depreciation allowances.....	2.9	3.2	+0.3
Other	—	—	—
Government surplus	0.1	0.4	+0.3
Residual error	—	—	—
Gross National Saving¹	5.1	6.1	+1.1
Gross Domestic Investment:			
Gross Domestic Investment (ex. inventories)	5.3	6.6	+1.3
Change in inventories	0.5	0.9	+0.4
Net foreign investment	-0.7	-1.4	-0.7
Residual error	—	—	—
Gross National Investment¹	5.1	6.1	+1.0

1. Figures will not add by +.1 or -.1 due to rounding.

Section 1
INCOME AND EXPENDITURE ACCOUNTS
A. Summary Tables

TABLE 1. National Income and Gross National Product, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
(millions of dollars)								
1	Wages, Salaries and Supplementary Labour Income...	8,311	9,716	10,868	11,715	11,994	12,810	14,284
2	Military pay and allowances	137	201	270	309	367	394	424
3	Investment Income.....	3,155	3,642	3,763	3,782	3,661	4,339	4,782
Net Income of Unincorporated Business:								
4	Accrued Net Income of Farm Operators from Farm Production ¹	1,503	2,072	1,851	1,652	1,147	1,404	1,608
5	Net Income of Non-farm Unincorporated Business ²	1,444	1,507	1,574	1,675	1,625	1,793	1,951
6	Net National Income at Factor Cost.....	14,550	17,138	18,326	19,133	18,794	20,740	23,049
7	Indirect Taxes Less Subsidies	2,018	2,478	2,714	2,907	2,947	3,238	3,601
8	Depreciation Allowances and Similar Business Costs	1,636	1,910	2,120	2,418	2,673	2,878	3,151
9	Residual Error of Estimate	-1	-52	95	15	-78	60	65
10	Gross National Product at Market Prices	18,203	21,474	23,255	24,473	24,336	26,916	29,866

1. Includes changes in farm inventories as follows:

1950	1951	1952	1953	1954	1955	1956
131	354	237	50	-115	211	169

Also includes the undistributed earnings of the Canadian Wheat Board and an inventory valuation adjustment for grain in Wheat Board channels, on a calendar year basis. See footnote 4, Table 52.

2. Includes net income of independent professional practitioners.

TABLE 2. Gross National Expenditure, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
(millions of dollars)								
1	Personal Expenditure on Consumer Goods and Services ¹	12,029	13,273	14,366	15,112	15,881	17,139	18,556
2	Government Expenditure on Goods and Services ²	2,326	3,243	4,245	4,388	4,413	4,728	5,209
Gross Domestic Investment: ³								
3	New Residential Construction.....	801	781	786	1,061	1,166	1,481	1,556
4	New Non-Residential Construction.....	1,026	1,260	1,554	1,706	1,659	1,847	2,549
5	New Machinery and Equipment	1,389	1,769	1,916	2,073	1,841	1,947	2,512
6	Change in Inventories.....	960	1,620	310	591	-275	510	939
	(Business inventories only).....	(769)	(1,267)	(-18)	(395)	(-145)	(319)	(742)
7	Exports of Goods and Services ⁴	4,183	5,089	5,573	5,400	5,147	5,753	6,310
8	Deduct: Imports of Goods and Services	-4,513	-5,613	-5,400	-5,843	-5,574	-6,430	-7,699
9	Residual Error of Estimate	2	52	-95	-15	78	-59	-66
10	Gross National Expenditure at Market Prices.....	18,203	21,474	23,255	24,473	24,336	26,916	29,866

1. For detail, see Table 44.

2. Includes defence expenditures as follows: 1950, \$493 million; 1951, \$1,157 million; 1952, \$1,800 million; 1953, \$1,907 million; 1954, \$1,727 million; 1955, \$1,756 million; in 1956, \$1,800 million. Includes outlay on new durable assets such as building and highway construction by governments, other than government business enterprises (for detail see Table 40, footnote 3 and Table 54, lines 2, 3, 4). Also includes the change in inventories of government commodity agencies and the Defence Production Revolving Fund. Excludes shipments of previously produced military equipment to N.A.T.O. countries but includes replacements of new equipment.

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

4. Excludes shipments of military equipment to N.A.T.O. countries under the Defence Appropriation Act. See also Table 55.

TABLE 3. Gross National Expenditure in Constant (1949) Dollars, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Personal Expenditure on Consumer Goods and Services ¹	11,645	11,572	12,237	12,905	13,436	14,525	15,502
2	Government Expenditure on Goods and Services	2,216	2,760	3,462	3,452	3,348	3,464	3,617
	Gross Domestic Investment:							
3	New Residential Construction.....	760	650	635	832	909	1,124	1,140
4	New Non-Residential Construction	970	1,061	1,223	1,287	1,262	1,364	1,778
5	New Machinery and Equipment	1,317	1,494	1,626	1,725	1,493	1,555	1,890
6	Change in Inventories.....	591	1,056	483	584	269	386	619
	(Business inventories only).....	(375)	(665)	(82)	(328)	(-64)	(110)	(368)
7	Exports of Goods and Services	4,034	4,406	4,872	4,856	4,671	4,998	5,338
8	Deduct: Imports of Goods and Services	-4,210	-4,705	-4,874	-5,297	-5,058	-5,721	-6,637
9	Sub Total	17,323	18,294	19,664	20,344	19,792	21,695	23,247
10	Residual Error of Estimate	2	46	-79	-12	64	-48	-52
11	Gross National Expenditure in Constant (1949) Dollars	17,325	18,340	19,585	20,332	19,856	21,647	23,195
12	Index of Gross National Expenditure in Constant (1949) Dollars.....	106.3	112.5	120.1	124.7	121.8	132.8	142.3
13	Percentage change from previous year.....	+ 6.3%	+ 5.9%	+ 6.8%	+ 3.8%	- 2.3%	+ 9.0%	+ 7.2%

1. Detail as follows:

	1950	1951	1952	1953	1954	1955	1956
Non-durable goods	7,119	7,003	7,307	7,678	8,076	8,724	9,390
Durable goods	1,324	1,217	1,378	1,558	1,501	1,792	1,902
Services	3,202	3,352	3,552	3,669	3,859	4,009	4,210
Total.....	11,645	11,572	12,237	12,905	13,436	14,525	15,502

TABLE 4. Implicit Price Deflators - Gross National Expenditure, 1950-1956¹

(1949 = 100)

No.		1950	1951	1952	1953	1954	1955	1956
1	Personal Expenditure on Consumer Goods and Services.....	103.3	114.7	117.4	117.1	118.2	118.0	119.7
2	Government Expenditure on Goods and Services	105.0	117.5	122.6	127.1	131.8	136.5	144.0
	Gross Domestic Investment:							
3	New Residential Construction.....	105.4	120.2	123.8	127.5	128.3	131.8	136.5
4	New Non-Residential Construction.....	105.8	118.8	127.1	132.6	131.5	135.4	143.4
5	New Machinery and Equipment	105.5	118.4	117.8	120.2	123.3	125.2	132.9
6	Exports of Goods and Services	103.7	115.5	114.4	111.2	110.2	115.1	118.2
7	Deduct: Imports of Goods and Services	107.2	119.3	110.8	110.3	110.2	112.4	116.0
8	Residual Error of Estimate	103.0	113.0	120.1	120.9	122.3	124.2	128.1
9	Gross National Expenditure*.....	102.5	114.1	119.3	120.2	122.9	123.5	127.5
	*The price deflator for Gross National Expenditure is calculated as follows:							
1	Gross National Expenditure in "Current" Dollars (see Table 2).....	18,203	21,474	23,255	24,473	24,336	26,916	29,866
2	Inventory Valuation Adjustment	-444	-555	111	-37	75	-185	-300
3	Equals Adjusted Value of Gross National Expenditure	17,759	20,919	23,366	24,436	24,411	26,731	29,566
4	Divide by Gross National Expenditure in Constant 1949 Dollars (line 11, Table 3).....	17,325	18,340	19,585	20,332	19,856	21,647	23,195
5	Equals Implicit Price Index (line 9, Table 4).....	102.5	114.1	119.3	120.2	122.9	123.5	127.5

1. These data are given on a 1935-39 base in tables 50 and 51 in order to provide continuity with similar tables in "National Accounts, Income and Expenditure, 1926-1950".

TABLE 5. Relation Between Net National Income at Factor Cost, Personal Income, Personal Disposable Income and Personal Saving, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Net National Income at Factor Cost	14,550	17,138	18,326	19,133	18,794	20,740	23,049
2	Add — Transfer Payments (excluding interest on transfer portion of public debt and charitable contributions from corporations) ¹	1,056	1,057	1,385	1,489	1,660	1,757	1,791
3	Add — Transfer Portion of Interest on the Public Debt ¹	442	450	467	489	538	528	568
4	Deduct — Earnings Not Paid Out to Persons ²	- 2,634	- 2,952	- 2,964	- 2,979	- 2,783	- 3,324	- 3,702
5	Equals — Personal Income	13,414	15,693	17,214	18,132	18,209	19,701	21,706
6	Deduct — Personal Direct Taxes	- 740	- 1,030	- 1,323	- 1,432	- 1,437	- 1,491	- 1,720
7	Equals — Personal Disposable Income	12,674	14,663	15,891	16,700	16,772	18,210	19,986
8	Deduct — Personal Expenditure on Consumer Goods and Services	-12,029	-13,273	-14,366	-15,112	-15,881	-17,139	-18,556
9	Equals — Personal Saving	645	1,390	1,525	1,588	891	1,071	1,430
10	Change in Farm Inventories (Value of Physical Change)	131	354	237	50	- 115	211	169
11	Personal Saving excluding Change in Farm Inventories	514	1,036	1,288	1,538	1,006	860	1,261

1. Since National Income excludes transfer payments and Personal Income includes them, items 2 and 3 are added back here. However, charitable contributions from corporations are not added since they are included in National Income.

2. This item includes: undistributed corporation profits, corporation profits taxes, withholding taxes, government investment income, adjustment on grain transactions, and employer and employee contributions to social insurance and government pension funds.

Section 1
INCOME AND EXPENDITURE ACCOUNTS
B. Analysis of Income and Expenditure Accounts
by Sectors of the Canadian Economy

TABLE 6. Personal Income and Expenditure Account, 1950-1956

Income

No.	1950	1951	1952	1953	1954	1955	1956
(millions of dollars)							
1 Wages, Salaries and Supplementary Labour Income:							
(a) From business (27a)	7,162	8,371	9,327	10,024	10,120	10,780	12,051
(b) From governments (19bi)	933	1,093	1,261	1,377	1,524	1,665	1,838
(c) From persons (8b)	216	252	280	314	350	365	395
(d) Deduct employer and employee contributions to social insurance and government pension funds (16)	-256	-329	-358	-390	-396	-423	-464
2 Military Pay and Allowances (19bii)	137	201	270	309	367	394	424
3 (a) Net income received by farm operators from farm production ¹ (27b)	1,402	2,108	1,882	1,657	1,151	1,382	1,588
(b) Net income of non-farm unincorporated business (27c)	1,444	1,507	1,574	1,675	1,625	1,793	1,951
4 Interest, dividends and net rental income of persons ² (45a)	1,295	1,406	1,566	1,649	1,783	1,957	2,097
5 Transfer Payments (excluding interest):							
(a) From governments (20b)	1,033	1,032	1,360	1,464	1,634	1,731	1,765
(b) Charitable contributions from corporations (45b)	25	27	27	28	25	31	35
(c) Net bad debt losses of corporations (49c)	23	25	25	25	26	26	26
6 Total	13,414	15,693	17,214	18,132	18,209	19,701	21,706

1. This item differs from line 4 of Table 1 in that it excludes undistributed earnings (and the inventory valuation adjustment) of the Canadian Wheat Board, on a calendar year basis.

2. Includes all government debt interest paid to persons.

TABLE 7. Personal Income and Expenditure Account, 1950-1956

Expenditure

No.	1950	1951	1952	1953	1954	1955	1956
(millions of dollars)							
7 Personal Direct Taxes:							
(a) Income taxes (11a)	612	890	1,177	1,287	1,296	1,297	1,495
(b) Succession duties (11b)	66	69	73	73	78	127	146
(c) Miscellaneous (11c)	62	71	73	72	63	67	79
8 Purchase of Goods and Services:							
(a) From business (23a)	11,544	12,681	13,675	14,355	15,055	16,233	17,564
(b) Direct services (1c)	216	252	280	314	350	365	395
(c) Tourist and travel expenditure:							
(i) U.S.A. (33ai)	193	246	294	307	320	363	391
(ii) U.K. and other Sterling Area ¹ (33aii)	24	25	32	37	42	48	47
(iii) Other countries (33aiii)	9	9	15	21	27	38	59
(d) Other expenditure abroad (33b)	43	60	70	78	87	92	100
9 Personal Saving ² (48)	645	1,390	1,525	1,588	891	1,071	1,430
10 Total	13,414	15,693	17,214	18,132	18,209	19,701	21,706

1. See footnote 2, Table 12.

2. This series includes changes in farm inventories. See Table 5.

TABLE 8. Government Revenue and Expenditure Account, 1950-1956¹

Revenue

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
11	Direct Taxes — Persons:							
	(a) Income taxes (7a)	612	890	1,177	1,287	1,296	1,297	1,495
	(b) Succession duties (7b)	66	69	73	73	78	127	146
	(c) Miscellaneous (7c)	62	71	73	72	63	67	79
12	Direct Taxes — Corporations:							
	(a) Income Taxes (45c)	981	1,429	1,378	1,216	1,114	1,262	1,410
13	Withholding Taxes (45d)	54	56	55	54	58	67	68
14	Indirect Taxes (28a)	2,081	2,606	2,814	3,017	3,033	3,317	3,722
15	Investment Income:							
	(a) Interest (45f)	155	181	215	206	237	234	256
	(b) Profits of government business enterprises (45e)	245	275	317	359	358	407	455
16	Employer and employee contributions to social insurance and government pension funds (1d)	256	329	358	390	396	423	464
17	Deficit (+) or Surplus (-) (on transactions relating to the National Accounts) ² (50)	- 648	- 1,053	- 288	- 223	38	- 135	- 432
18	Total ³	3,864	4,853	6,172	6,451	6,671	7,066	7,663

1. See also Table 33.

2. For a reconciliation of the federal content of this consolidated surplus (or deficit) with the conventional federal budgetary surplus (or deficit), see Table 53.

3. It will be noted that in addition to total revenue, this item includes the government deficit or surplus. Inter-governmental transfers are not included in this total, since in the consolidation of the government sector such transactions cancel out.

TABLE 9. Government Revenue and Expenditure Account, 1950-1956¹

Expenditure

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
19	Purchase of Goods and Services ² :							
	(a) From business (23b)	1,150	1,846	2,601	2,581	2,391	2,527	2,797
	(b) Direct services:							
	(i) Wages and salaries (1b)	933	1,093	1,261	1,377	1,524	1,665	1,838
	(ii) Military pay and allowances (2)	137	201	270	309	367	394	424
	(iii) Interest (42a)	106	103	113	121	131	142	150
20	Transfer Payments:							
	(a) Interest (42b)	442	450	467	489	538	528	568
	(b) Other (5a)	1,033	1,032	1,360	1,464	1,634	1,731	1,765
21	Subsidies (28b)	63	128*	100	110	86	79	121
22	Total ³	3,864	4,853	6,172	6,451	6,671	7,066	7,663

1. See also Table 34.

2. See line 2, Table 2.

* Includes \$65 million payment to farmers on account of the United Kingdom Wheat Agreement.

3. Inter-governmental transfers are not included in this total, since in the consolidation of the government sector such transactions cancel out.

TABLE 10. Business Operating Account, 1950-1956
Revenue

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
23	Sales to Residents:							
	(a) Persons (8a)	11,544	12,681	13,675	14,355	15,055	16,233	17,564
	(b) Governments ¹ (19a)	1,150	1,846	2,601	2,581	2,391	2,527	2,797
	(c) Business on capital account ² :							
	(i) New residential construction (53a)	801	781	786	1,061	1,166	1,481	1,556
	(ii) New non-residential construction (53b)....	1,026	1,260	1,554	1,706	1,659	1,847	2,549
	(iii) New machinery and equipment (53c)	1,389	1,769	1,916	2,073	1,841	1,947	2,512
	(iv) Change in inventories (53d)	960	1,620	310	591	- 275	510	939
24	Sales to Non-Residents:							
	(a) U.S.A. (37ai)	2,796	3,089	3,151	3,301	3,195	3,569	3,865
	(b) U.K. and other Sterling Area ³ (37aii)	797	1,071	1,197	1,063	1,016	1,214	968
	(c) Other countries (37aiii)	499	814	1,080	871	789	810	1,336
25	Residual Error of Estimate	2	52	- 95	- 15	78	- 60	- 65
26	Total	20,964	24,983	26,175	27,587	26,915	30,078	34,021

1. See footnote 2, Table 2.
2. See footnote 3, Table 2.
3. See footnote 2, Table 12.

TABLE 11. Business Operating Account, 1950-1956
Expenditure

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
27	Factor Costs:							
	(a) Wages, salaries and supplementary labour income (1a)	7,162	8,371	9,327	10,024	10,120	10,780	12,051
	(b) Net income received by farm operators from farm production ¹ (3a)	1,402	2,108	1,882	1,657	1,151	1,382	1,588
	(c) Net income of non-farm unincorporated business (3b)	1,444	1,507	1,574	1,675	1,625	1,793	1,951
	(d) Adjustment on grain transactions ² (49d)	101	- 36	- 31	- 5	- 4	22	20
	(e) Corporation profits (excluding interest and dividends from non-residents) ³ (40)	2,476	2,781	2,621	2,499	2,289	2,798	3,175
	(f) Other investment income (excluding interest on the public debt) (41)	957	1,093	1,297	1,401	1,517	1,716	1,846
28	Other Costs:							
	(a) Indirect taxes (14)	2,081	2,606	2,814	3,017	3,033	3,317	3,722
	(b) Less subsidies (21)	- 63	- 128*	- 100	- 110	- 86	- 79	- 121*
	(c) Depreciation allowances and similar business costs (49b)	1,636	1,910	2,120	2,418	2,673	2,878	3,151
29	Purchases from Non-Residents:							
	(a) U.S.A. (32ai)	2,612	3,428	3,385	3,607	3,347	3,874	4,702
	(b) U.K. and other Sterling Area ⁴ (32aii)	727	822	645	793	688	753	612
	(c) Other countries (32aiii)	430	573	546	596	640	785	1,258
30	Residual Error of Estimate	- 1	- 52	95	15	- 78	59	66
31	Total	20,964	24,983	26,175	27,587	26,915	30,078	34,021

1. See footnote 1, Table 6.
2. This item includes the undistributed earnings of the Canadian Wheat Board, and an inventory valuation adjustment for grain in Wheat Board channels, on a calendar year basis. See footnote 4, Table 52.
3. For total corporation profits, see footnote 1, Table 14. See also Table 48.
4. See footnote 2, Table 12.
* Includes \$65 million payment to farmers on account of the United Kingdom Wheat Agreement.
** Includes \$44 million assistance re storage costs on grain.

TABLE 12. Non-Residents' Revenue and Expenditure Account, 1950-1956¹

Receipts from Canada

(Canadian Imports)

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
32	Receipts from Business:							
	(a) Other than interest and dividends:							
	(i) U.S.A. (29a)	2,612	3,428	3,385	3,607	3,347	3,874	4,702
	(ii) U.K. and other Sterling Area ² (29b)	727	822	645	793	688	753	612
	(iii) Other countries (29c)	430	573	546	596	640	785	1,258
	(b) Interest and dividends:							
	(i) U.S.A. (46ai)	354	321	281	268	282	336	369
	(ii) U.K. and other Sterling Area ² (46aii)	49	52	52	53	58	60	71
	(iii) Other countries (46aii)	8	9	11	11	14	18	21
33	Receipts from Persons:							
	(a) Tourist and Travel Expenditure:							
	(i) U.S.A. (8ci)	193	246	294	307	320	363	391
	(ii) U.K. and other Sterling Area ² (8cii)	24	25	32	37	42	48	47
	(iii) Other countries (8cii)	9	9	15	21	27	38	59
	(b) All other receipts (all countries) (8d)	43	60	70	78	87	92	100
34	Receipts from Government:							
	Interest:							
	(a) U.S.A. (46bi)	57	61	63	66	63	57	62
	(b) U.K. and other Sterling Area ² (46bii)	5	5	4	4	4	4	4
	(c) Other countries (46biii)	2	2	2	2	2	2	3
35	Net Debit (+) or Credit (-) on Current Account:							
	(a) U.S.A. (54a)	- 384	- 928	- 810	- 871	- 774	- 1,008	- 1,617
	(b) U.K. and other Sterling Area ² (54b)	- 1	193	492	207	264	394	241
	(c) Other countries (54c)	55	211	491	221	83	- 63	- 13
36	Total	4,183	5,089	5,573	5,400	5,147	5,753	6,310

1. These figures differ from those shown in reports on "The Canadian Balance of International Payments", Dominion Bureau of Statistics, because adjustments have been made to the figures of receipts and payments to achieve consistency with other component series. See Table 55.

2. Since 1940. Prior to 1940 (See "National Accounts, Income and Expenditure, 1926-1950") read "U.K. and other Commonwealth".

TABLE 13. Non-Residents' Revenue and Expenditure Account, 1950-1956¹

Payments to Canada

(Canadian Exports)

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
37	Payments to Business:							
	(a) Payments other than interest and dividends:							
	(i) U.S.A. (24a)	2,796	3,089	3,151	3,301	3,195	3,569	3,865
	(ii) U.K. and other Sterling Area ² (24b)	797	1,071	1,197	1,063	1,016	1,214	968
	(iii) Other countries (24c)	499	814	1,080	871	789	810	1,336
	(b) Interest and dividends (all countries) (43a)	30	29	49	71	61	74	65
38	Payments to Other Sectors:							
	Interest and dividends (all countries) (43b)	61	86	96	94	86	86	76
39	Total	4,183	5,089	5,573	5,400	5,147	5,753	6,310

1. See footnote 1 to Table 12.

2. See footnote 2 to Table 12.

TABLE 14. Investment Income Appropriation Account, 1950-1956

Source

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
40	Corporation Profits ¹ (excluding interest and dividends from non-residents) (27e)	2,476	2,781	2,621	2,499	2,289	2,798	3,175
41	Other investment income (excluding interest on the public debt) (27f)	957	1,093	1,297	1,401	1,517	1,716	1,846
42	Interest on the Public Debt:							
	(a) Portion included in national income (19biii)	106	103	113	121	131	142	150
	(b) Transfer portion (20a)	442	450	467	489	538	528	568
43	Interest and Dividends from Non-Residents received by:							
	(a) Corporations (37b)	30	29	49	71	61	74	65
	(b) Other Sectors (38)	61	86	96	94	86	86	76
44	Total	4,072	4,542	4,643	4,675	4,622	5,344	5,880

1. To obtain total corporation profits, add items 40 and 43(a). See also Table 48.

TABLE 15. Investment Income Appropriation Account, 1950-1956

Disposition

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
45	To Canadian Residents:							
	(a) Interest, dividends and net rental income of persons (4)	1,295	1,406	1,566	1,649	1,783	1,957	2,097
	(b) Charitable contributions from corporations (5b)	25	27	27	28	25	31	35
	(c) Corporation income taxes (12a)	981	1,429	1,378	1,216	1,114	1,262	1,410
	(d) Withholding taxes (13)	54	56	55	54	58	67	68
	(e) Profits of government business enterprises (15b)	245	275	317	359	358	407	455
	(f) Government interest revenue (15a)	155	181	215	206	237	234	256
	(g) Undistributed corporation profits (49a)	844	721	667	754	624	910	1,030
	(h) Inventory valuation adjustment (n.e.i.) ¹ (49e)	- 2	- 3	5	5	-	- 1	- 1
46	To Non-Residents, Interest and Dividends received from:							
	(a) Business:							
	(i) U.S.A. (32bi)	354	321	281	268	282	336	369
	(ii) U.K. and other Sterling Area ² (32bii)	49	52	52	53	58	60	71
	(iii) Other countries (32biii)	8	9	11	11	14	18	21
	(b) Government:							
	(i) U.S.A. (34a)	57	61	63	66	63	57	62
	(ii) U.K. and other Sterling Area ² (34b)	5	5	4	4	4	4	4
	(iii) Other countries (34c)	2	2	2	2	2	2	3
47	Total	4,072	4,542	4,643	4,675	4,622	5,344	5,880

1. This adjustment applies only to grain in commercial channels other than the Canadian Wheat Board. An inventory valuation adjustment for grain held by this agency is included with "adjustment on grain transactions" (see item 27d, Table 11).

2. See footnote 2, Table 12.

TABLE 16. National Saving and Investment Account, 1950-1956

Saving

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
48	Personal Saving (9)	645	1,390	1,525	1,588	891	1,071	1,430
49	Gross Business Saving:							
	(a) Undistributed corporation profits (45g)	844	721	667	754	624	910	1,030
	(b) Depreciation allowances and similar business costs (28c)	1,636	1,910	2,120	2,418	2,673	2,878	3,151
	(c) Net bad debt losses of corporation ¹ (5c)	- 23	- 25	- 25	- 25	- 26	- 26	- 26
	(d) Adjustment on grain transactions (27d)	101	- 36	- 31	- 5	- 4	22	20
	(e) Inventory valuation adjustment (n.e.i.) ² (45h) ..	- 2	- 3	5	5	-	- 1	- 1
50	Government Surplus (+) or Deficit (-) (17)	648	1,053	288	223	- 38	135	432
51	Residual Error of Estimate	- 1	- 52	95	15	- 78	60	65
52	Total	3,848	4,958	4,644	4,973	4,042	5,049	6,101

1. Since these are included in both personal saving (item 48) and depreciation allowances and similar business costs (49b), they are deducted here to avoid double counting.

2. Portion not included in "adjustment on grain transactions" (see footnote 1, Table 15).

TABLE 17. National Saving and Investment Account, 1950-1956

Investment

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
53	Gross Domestic Investment ¹ :							
	(a) New residential construction (23ci)	801	781	786	1,061	1,166	1,481	1,556
	(b) New non-residential construction (23cii)	1,026	1,260	1,554	1,706	1,659	1,847	2,549
	(c) New machinery and equipment (23ciii)	1,389	1,769	1,916	2,073	1,841	1,947	2,512
	(d) Change in inventories (23civ)	960	1,620	310	591	- 275	510	939
54	Net Foreign Investment ² :							
	(a) U.S.A. (35a)	- 384	- 928	- 810	- 871	- 774	- 1,008	- 1,617
	(b) U.K. and other Sterling Area ³ (35b)	- 1	193	492	207	264	394	241
	(c) Other countries (35c)	55	211	491	221	83	- 63	- 13
55	Residual Error of Estimate	2	52	- 95	- 15	78	- 59	- 66
56	Total	3,848	4,958	4,644	4,973	4,042	5,049	6,101

1. See footnote 3, Table 2. For reconciliation with "private and public investment" figures published by the Department of Trade and Commerce, see Table 54.

2. See footnote 1, Table 12.

3. See footnote 2, Table 12.

TABLE 18. Sector Accounts Consolidation, 1950-1956

National Income and Gross National Product

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Income Originating In:							
	Personal Sector:							
1	Wages, salaries and supplementary labour income	216	252	280	314	350	365	395
2	Business Sector:	13,542	15,824	16,670	17,251	16,698	18,491	20,631
3	Wages, salaries and supplementary labour income	7,162	8,371	9,327	10,024	10,120	10,780	12,051
4	Net income received by farm operators from farm production	1,402	2,108	1,882	1,657	1,151	1,382	1,588
5	Adjustment on grain transactions	101	- 36	- 31	- 5	- 4	22	20
6	Net income of non-farm unincorporated business	1,444	1,507	1,574	1,675	1,625	1,793	1,951
7	Corporation profits (excluding interest and dividends from non-residents)	2,476	2,781	2,621	2,499	2,289	2,798	3,175
8	Other investment income (excluding interest on the public debt)	957	1,093	1,297	1,401	1,517	1,716	1,846
9	Government Sector	1,176	1,397	1,644	1,807	2,022	2,201	2,412
10	Wages, salaries and supplementary labour income	933	1,093	1,261	1,377	1,524	1,665	1,838
11	Military pay and allowances	137	201	270	309	367	394	424
12	Portion of interest on the public debt included in National Income	106	103	113	121	131	142	150
13	Non-residents' Sector	- 384	- 335	- 268	- 239	- 276	- 317	- 389
	Interest and Dividends paid by all countries:							
14	(a) To Canadian corporations	30	29	49	71	61	74	65
15	(b) To other Canadian sectors	61	86	96	94	86	86	76
	Less interest and dividends received by all countries:							
16	(a) From Canadian business	- 411	- 382	- 344	- 332	- 354	- 414	- 461
17	(b) From Canadian governments	- 64	- 68	- 69	- 72	- 69	- 63	- 69
18	Net National Income at Factor Cost	14,550	17,138	18,326	19,133	18,794	20,740	23,049
19	Depreciation allowances and similar business costs	1,636	1,910	2,120	2,418	2,673	2,878	3,151
20	Indirect taxes	2,081	2,606	2,814	3,017	3,033	3,317	3,722
21	Less subsidies	- 63	- 128	- 100	- 110	- 86	- 79	- 121
22	Residual Error of Estimate	- 1	- 52	95	15	- 78	60	65
23	Gross National Product at Market Prices	18,203	21,474	23,255	24,473	24,336	26,916	29,866

TABLE 19. Sector Accounts Consolidation, 1950-1956

Gross National Expenditure

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Personal Expenditure on Consumer Goods and Services	12,029	13,273	14,366	15,112	15,881	17,139	18,556
2	Purchases from business.....	11,544	12,681	13,675	14,355	15,055	16,233	17,564
3	Purchases of direct services	216	252	280	314	350	365	395
4	Purchases from non-residents.....	269	340	411	443	476	541	597
5	Government Expenditure on Goods and Services	2,326	3,243	4,245	4,388	4,413	4,728	5,209
6	Purchases from business.....	1,150	1,846	2,601	2,581	2,391	2,527	2,797
7	Wages and salaries.....	933	1,093	1,261	1,377	1,524	1,665	1,838
8	Military pay and allowances	137	201	270	309	367	394	424
9	Interest.....	106	103	113	121	131	142	150
10	Gross Domestic Investment	4,176	5,430	4,566	5,431	4,391	5,785	7,556
11	New residential construction	801	781	786	1,061	1,166	1,481	1,556
12	New non-residential construction.....	1,026	1,260	1,554	1,706	1,659	1,847	2,549
13	New machinery and equipment	1,389	1,769	1,916	2,073	1,841	1,947	2,512
14	Change in inventories	960	1,620	310	591	275	510	939
15	Exports of Goods and Services	4,183	5,089	5,573	5,400	5,147	5,753	6,310
16	Payments to Canadian business.....	4,122	5,003	5,477	5,306	5,061	5,667	6,234
17	Payments to Other Sectors	61	86	96	94	86	86	76
18	Imports of Goods and Services	- 4,513	- 5,613	- 5,400	- 5,843	- 5,574	- 6,430	- 7,699
19	Receipts from Canadian business	- 4,180	- 5,205	- 4,920	- 5,328	- 5,029	- 5,826	- 7,033
20	Receipts from persons	- 269	- 340	- 411	- 443	- 476	- 541	- 597
21	Receipts from government	- 64	- 68	- 69	- 72	- 69	- 63	- 69
22	Residual Error of Estimate	2	52	- 95	- 15	78	- 59	- 66
23	Gross National Expenditure at Market Prices	18,203	21,474	23,255	24,473	24,336	26,916	29,866

Section 2
INDUSTRIAL DISTRIBUTION OF
NATIONAL INCOME AND OTHER AGGREGATES

TABLE 20. National Income, by Industry¹, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Business:							
1	Agriculture	1,709	2,296	2,095	1,886	1,368	1,628	1,836
2	Forestry	257	378	361	361	349	383	451
3	Fishing and Trapping	78	92	67	60	60	66	76
4	Mining, Quarrying and Oilwells	570	690	662	617	644	793	895
5	Manufacturing	4,471	5,158	5,396	5,692	5,423	5,940	6,587
6	Construction	809	856	1,025	1,234	1,235	1,436	1,679
7	Transportation	1,489	1,126	1,205	1,247	1,174	1,289	1,441
8	Storage		38	47	54	51	53	66
9	Communication		276	317	342	362	406	456
10	Public Utility Operation		303	386	427	444	473	516
	Trade:							
11	Wholesale	762	863	920	915	913	997	1,139
12	Retail	1,401	1,531	1,658	1,713	1,715	1,871	2,055
13	Finance, Insurance and Real Estate	1,026	1,180	1,389	1,488	1,698	1,819	1,980
14	Service ²	1,186	1,289	1,422	1,529	1,612	1,702	1,849
15	Government ³	1,176	1,397	1,644	1,807	2,022	2,201	2,412
16	Non-Residents	-384	-335	-268	-239	-276	-317	-389
17	Total	14,550	17,138	18,326	19,133	18,794	20,740	23,049

1. For difference between this classification and the Standard Industrial Classification, see "National Accounts, Income and Expenditure, 1926-1950", page 120.

2. Includes income originating in the personal sector, see Table 18.

3. Includes government non-business transactions only. Income originating in government business enterprises is included in the appropriate industrial groups within the business sector.

TABLE 21. Wages, Salaries and Supplementary Labour Income, by Industry, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Business:							
1	Agriculture	157	171	188	175	160	158	159
2	Forestry	220	342	333	317	313	340	403
3	Fishing and Trapping	14	15	14	13	15	13	15
4	Mining, Quarrying and Oilwells	298	356	410	407	415	447	508
5	Manufacturing	2,854	3,378	3,749	4,071	4,001	4,224	4,685
6	Construction	581	639	768	865	842	957	1,136
7	Transportation	1,084	884	973	1,048	1,026	1,066	1,177
8	Storage		26	30	33	35	36	41
9	Communication		215	238	262	297	320	357
10	Public Utility Operation		130	185	201	210	228	253
	Trade:							
11	Wholesale	456	529	600	642	676	725	809
12	Retail	751	855	930	1,009	1,073	1,133	1,240
13	Finance, Insurance and Real Estate	318	366	402	431	471	504	561
14	Service ¹	645	717	787	864	936	994	1,102
15	Government ²	1,070	1,294	1,531	1,686	1,891	2,059	2,262
16	Total	8,448	9,917	11,138	12,024	12,361	13,204	14,708

1. Includes income originating in the personal sector, See Table 18.

2. Includes military pay and allowances; see also footnote 3, Table 20.

TABLE 22. Corporation Profits before Taxes, by Industry, 1950-1956

No		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Business:							
	Agriculture							
1	Forestry	19	20	7	7	12
	Fishing and Trapping							
2	Mining, Quarrying and Oilwells	265	325	244	196	208	325	362
3	Manufacturing	1,404	1,561	1,410	1,395	1,196	1,498	1,655
4	Construction	52	46	66	97	90
5	Transportation		132	132	105	81		
6	Storage		9	13	19	14	184	228
7	Communication		44	59	62	42		
8	Public Utility Operation		43	52	54	50	55	64
	Trade:							
9	Wholesale	223	254	236	184	156	195	248
10	Retail	186	172	184	156	149	188	212
11	Finance, Insurance and Real Estate	151	163	212	237	301	257	275
12	Service	37	41	55	58	51	48	54
13	Total Corporation Profits Before Taxes	2,506	2,810	2,670	2,570	2,350	2,872	3,240
14	Non-Residents ¹	- 404	- 370	- 334	- 317	- 327	- 389	- 445
15	Total	2,102	2,440	2,336	2,253	2,023	2,483	2,795

1. Dividends paid to non-residents. See Table 48.
.. Detail not given pending further research.

TABLE 23. Investment Income Excluding Corporation Profits, by Industry¹, 1950-1956

No		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Business:							
	Agriculture							
1	Forestry	46	52	57	66	77
	Fishing and Trapping							
2	Mining, Quarrying and Oilwells							
3	Manufacturing	22	44	57	55	65	57	68
4	Construction	5	7	8	8	11
5	Transportation		52	46	42	22		
6	Storage		3	4	2	2	96	111
7	Communication		17	20	18	23		
	Public Utility Operation		130	149	172	184	190	199
	Trade:							
8	Wholesale	14	17	27	33	35	31	34
9	Retail	121	126	137	140	141	148	155
10	Finance, Insurance and Real Estate	516	598	724	771	870	998	1,084
11	Service	17	18	19	23	26	29	29
12	Government ²	106	103	113	121	131	142	150
13	Non-Residents ³	20	35	66	78	51	72	56
14	Total	1,053	1,202	1,427	1,529	1,638	1,856	1,987

1. This is a heterogeneous aggregate including items such as interest, net rents, and trading profits of government business enterprises.

2. See also footnote 3 Table 20.

3. Includes interest paid to non-residents, reduced by interest and dividends received from non-residents.

.. Detail not given pending further research.

TABLE 24. Net Income of Unincorporated Business, by Industry, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Business:							
1	Agriculture	1,503	2,072	1,851	1,652	1,147	1,404	1,608
2	Forestry	21	19	21	37	22	23	24
3	Fishing and Trapping	63	76	53	47	45	51	59
4	Mining, Quarrying and Oilwells	8	8	7	7	7	7	7
5	Manufacturing	191	175	180	171	161	161	179
6	Construction	171	164	183	264	292	366	413
7	Transportation	50	58	54	52	45	46	49
8	Storage	—	—	—	—	—	—	—
9	Communication	—	—	—	—	—	—	—
10	Public Utility Operation	—	—	—	—	—	—	—
	Trade:							
11	Wholesale	69	63	57	56	46	46	48
12	Retail	343	378	407	408	352	402	448
13	Finance, Insurance and Real Estate	41	53	51	49	56	60	60
14	Service	487	513	561	584	599	631	664
15	Total	2,947	3,579	3,425	3,327	2,772	3,197	3,559

TABLE 25. Gross Domestic Investment (Excluding Inventories), by Industry¹, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Agriculture	473	515	555	546	388	426	495
	Fishing and Trapping							
2	Forestry	34	58	39	34	46	63	74
3	Mining, Quarrying and Oil Wells	119	181	211	257	278	336	536
4	Manufacturing	502	793	973	969	822	946	1,349
5	Construction	71	66	73	91	97	174	191
6	Transportation	718	305	430	490	444	409	720
7	Storage							
8	Communication ²							
9	Public Utility Operation		466	582	546	482	460	660
10	Trade	234	235	197	330	368	329	319
11	Finance, Insurance and Real Estate ³	861	850	837	1,139	1,273	1,584	1,681
12	Service ⁴	204	214	215	268	275	324	347
13	Total	3,216	3,810	4,256	4,840	4,666	5,275	6,617

1. This table is derived from "Private and Public Investment in Canada, Outlook 1957" and similar reports for prior years (Department of Trade and Commerce). Additional detail has been provided by the D.B.S. General Assignments Division, and adjustments have been made to bring the data into line with National Accounting concepts. See reconciliation statement, Table 54.

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

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

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

TABLE 26. Investment in Inventories, by Industry, 1950-1956¹

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Agriculture ²	131	354	237	50	- 115	211	169
2	Forestry	12	61	- 44	- 6	- 7	3	15
3	Fishing and Trapping.....	-	-	-	-	-	-	-
4	Mining, Quarrying and Oil Wells.....	5	14	8	5	12	11	9
5	Manufacturing	329	723	- 31	211	- 173	168	440
6	Construction	34	53	18	3	2	11	9
7	Transportation, Storage and Communication.....	10	28	22	13	- 18	- 25	20
8	Public Utility Operation	- 7	14	6	- 5	- 7	- 7	6
	Trade:							
9	Grain in Commercial Channels ²	60	- 1	91	146	- 15	- 20	28
10	Wholesale(excluding grain in commercial channels)	183	237	29	55	- 1	62	105
11	Retail	198	120	- 26	114	49	92	129
12	Finance, Insurance and Real Estate	1	1	-	5	- 2	4	3
13	Service	4	16	-				
14	Total	960	1,620	310	591	- 275	510	939

1. Excludes government inventories, other than those held by government business enterprises.

2. Data shown represent "value of physical change". For other industries, data shown are "change in book value".

Section 3
GEOGRAPHICAL DISTRIBUTION OF PERSONAL INCOME

TABLE 27. Personal Income, Geographical Distribution, 1950-1956¹

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Newfoundland	178	206	229	252	262	274	301
2	Prince Edward Island	54	60	71	66	67	71	78
3	Nova Scotia	466	503	564	594	617	650	695
4	New Brunswick	329	376	408	415	438	462	512
5	Quebec	3,295	3,772	4,153	4,469	4,637	4,967	5,463
6	Ontario	5,303	6,083	6,729	7,172	7,380	7,906	8,622
7	Manitoba	758	870	913	920	894	973	1,071
8	Saskatchewan	743	1,084	1,184	1,112	773	1,022	1,137
9	Alberta	921	1,179	1,253	1,278	1,215	1,322	1,539
10	British Columbia ²	1,338	1,518	1,663	1,805	1,875	2,006	2,239
11	Foreign Countries ³	6	17	22	24	25	22	23
12	Personal Bad Debts (not distributed by Province)	23	25	25	25	26	26	26
13	Canada	13,414	15,693	17,214	18,132	18,209	19,701	21,706

1. Geographical distributions of the main components only of personal income are given in Tables 29 to 32 inclusive; these tables, therefore, do not add to the total of personal income.

2. Includes Yukon and North West Territories. In 1955 personal income of the Yukon and North West Territories was approximately \$22 million.

3. Includes receipts of income of Canadians temporarily abroad, including pay and allowances of Canadian armed forces abroad.

TABLE 28. Personal Income Per Capita, Geographical Distribution, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(dollars)						
1	Newfoundland	507	571	612	658	663	675	725
2	Prince Edward Island	563	612	710	653	663	710	788
3	Nova Scotia	730	782	864	896	917	952	1,000
4	New Brunswick	643	729	776	779	811	845	923
5	Quebec	830	930	995	1,047	1,057	1,100	1,180
6	Ontario	1,186	1,323	1,405	1,452	1,443	1,501	1,595
7	Manitoba	987	1,121	1,144	1,137	1,086	1,160	1,260
8	Saskatchewan	892	1,303	1,405	1,292	885	1,164	1,291
9	Alberta	1,009	1,256	1,288	1,263	1,149	1,212	1,370
10	British Columbia ¹	1,152	1,276	1,352	1,418	1,418	1,463	1,560
11	Canada	978	1,120	1,191	1,221	1,191	1,255	1,350

1. Includes Yukon and Northwest Territories.

TABLE 29. Wages, Salaries and Supplementary Labour Income, Geographical Distribution, 1950-1956¹

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Newfoundland	109	131	152	169	172	179	196
2	Prince Edward Island.....	21	23	26	27	28	30	32
3	Nova Scotia	283	328	363	377	385	404	437
4	New Brunswick	197	239	257	265	273	294	329
5	Quebec	2,162	2,541	2,834	3,043	3,113	3,341	3,731
6	Ontario	3,507	4,090	4,585	4,950	5,044	5,378	5,964
7	Manitoba.....	412	477	522	562	571	604	644
8	Saskatchewan	276	311	349	386	406	429	461
9	Alberta	460	534	608	674	704	762	901
10	British Columbia ²	880	1,038	1,167	1,257	1,292	1,383	1,583
11	Foreign Countries.....	4	4	5	5	6	6	6
12	Canada	8,311	9,716	10,868	11,715	11,994	12,810	14,284

1. Excludes military pay and allowances.

2. Includes Yukon and North West Territories.

TABLE 30. Net Income Received by Farm Operators From Farm Production and Net Income of Non-Farm Unincorporated Business, Geographical Distribution, 1950-1956¹

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Newfoundland	36	39	36	36	37	39	43
2	Prince Edward Island.....	20	24	29	22	22	24	28
3	Nova Scotia	86	86	86	90	91	99	104
4	New Brunswick	68	72	76	69	73	73	82
5	Quebec	580	682	645	671	662	716	765
6	Ontario	990	1,110	1,032	1,053	994	1,094	1,160
7	Manitoba.....	215	272	246	212	169	195	248
8	Saskatchewan	327	619	642	553	218	387	483
9	Alberta	316	481	458	405	295	320	385
10	British Columbia ²	208	230	206	221	215	228	241
11	Foreign Countries.....	—	—	—	—	—	—	—
12	Canada	2,846	3,615	3,456	3,332	2,776	3,175	3,539

1. This item differs from the total of lines 4 and 5, Table 1, in that it excludes undistributed earnings (and the inventory valuation adjustment) of the Canadian Wheat Board, on a calendar year basis.

2. Includes Yukon and North West Territories.

TABLE 31. Interest, Dividends and Net Rental Income of Persons, Geographical Distribution, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Newfoundland.....	13	13	14	15	17	17	18
2	Prince Edward Island	5	5	5	5	5	6	6
3	Nova Scotia	42	37	40	46	50	54	57
4	New Brunswick	29	29	29	31	36	38	40
5	Quebec	308	329	377	416	454	479	516
6	Ontario	541	592	660	704	785	863	928
7	Manitoba	71	71	76	75	82	89	95
8	Saskatchewan	74	92	115	92	63	92	93
9	Alberta	77	96	103	105	105	118	126
10	British Columbia ¹	135	142	147	160	186	201	218
11	Foreign Countries	—	—	—	—	—	—	—
12	Canada	1, 295	1, 406	1, 566	1, 649	1, 783	1, 957	2, 097

1. Includes Yukon and North West Territories.

TABLE 32. Government Transfer Payments, Excluding Interest, Geographical Distribution, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Newfoundland	22	27	30	35	38	41	46
2	Prince Edward Island	7	7	10	10	11	11	11
3	Nova Scotia	49	48	63	65	69	71	72
4	New Brunswick	39	40	51	53	59	58	61
5	Quebec	285	274	346	389	443	466	490
6	Ontario	293	309	444	464	524	538	543
7	Manitoba	65	54	72	73	78	89	88
8	Saskatchewan	70	68	84	87	93	121	107
9	Alberta	72	72	87	96	109	117	122
10	British Columbia ¹	130	131	171	191	209	218	224
11	Foreign Countries	1	2	2	1	1	1	1
12	Canada	1, 033	1, 032	1, 360	1, 464	1, 634	1, 731	1, 765

1. Includes Yukon and North West Territories.

Section 4
GOVERNMENT SUPPLEMENTARY TABLES



TABLE 33. Government Revenue and Expenditure, by Level of Government, 1950-1956¹

Revenue		1950	1951	1952	1953	1954	1955	1956
No.		(millions of dollars)						
1	Direct Taxes—Persons	740	1,030	1,323	1,432	1,437	1,491	1,720
2	Federal	654	931	1,223	1,329	1,319	1,325	1,550
3	Provincial and Municipal	86	99	100	103	118	166	170
4	Direct Taxes—Corporations	981	1,429	1,378	1,216	1,114	1,262	1,410
5	Federal	835	1,240	1,269	1,140	1,050	1,200	1,333
6	Provincial	146	189	109	76	64	62	77
Withholding Taxes:								
7	Federal	54	56	55	54	58	67	68
8	Indirect Taxes	2,081	2,606	2,814	3,017	3,033	3,317	3,722
9	Federal	1,115	1,495	1,595	1,697	1,612	1,744	1,972
10	Provincial and Municipal	966	1,111	1,219	1,320	1,421	1,573	1,750
11	Investment Income	400	456	532	565	595	641	711
12	Federal	134	167	217	216	217	248	295
13	Provincial and Municipal	266	289	315	349	378	393	416
14	Employer and Employee Contributions to Social Insurance and Pension Funds	256	329	358	390	396	423	464
15	Federal	159	214	230	250	261	284	321
16	Provincial and Municipal	97	115	128	140	135	139	143
Transfers from Other Governments:								
17	Provincial and Municipal	251	259	368	412	430	450	481
18	Total Revenue	4,763	6,165	6,828	7,086	7,063	7,651	8,576
19	Federal	2,951	4,103	4,589	4,686	4,517	4,868	5,539
20	Provincial and Municipal	1,812	2,062	2,239	2,400	2,546	2,783	3,037
21	Deficit (+) or Surplus (-)	- 648	- 1,053	- 288	- 223	+ 38	- 135	- 432
22	Federal ²	- 640	- 1,042	- 256	- 143	+ 57	- 182	- 589
23	Provincial and Municipal	- 8	- 11	- 32	- 80	- 19	+ 47	+ 157
24	Total Revenue plus Deficit (or minus Surplus)	4,115	5,112	6,540	6,863	7,101	7,516	8,144
25	Federal	2,311	3,061	4,333	4,543	4,574	4,686	4,950
26	Provincial and Municipal	1,804	2,051	2,207	2,320	2,527	2,830	3,194

1. For total government revenue and expenditure excluding inter-governmental transfers, see Tables 8 and 9.

2. For the difference between this item and the conventional budgetary surplus, see reconciliation, Table 53.

TABLE 34. Government Revenue and Expenditure, by Level of Government, 1950-1956¹
Expenditure

No.		1950	1951	1952	1953	1954	1955	1956
(millions of dollars)								
1	Goods and Services.....	2,326	3,243	4,245	4,388	4,413	4,728	5,209
2	Federal ²	980	1,694	2,469	2,538	2,415	2,461	2,631
3	Provincial and Municipal.....	1,346	1,549	1,776	1,850	1,998	2,267	2,578
4	Transfer Payments.....	1,475	1,482	1,827	1,953	2,172	2,259	2,333
5	Federal.....	1,020	984	1,400	1,487	1,645	1,700	1,720
6	Provincial and Municipal.....	455	498	427	466	527	559	613
7	Subsidies.....	63	128	100	110	86	79	121
8	Federal.....	60	124	96	106	84	75	118
9	Provincial and Municipal.....	3	4	4	4	2	4	3
10	Transfers to Other Governments:							
10	Federal.....	251	259	368	412	430	450	481
11	Total Expenditure.....	4,115	5,112	6,540	6,863	7,101	7,516	8,144
12	Federal.....	2,311	3,061	4,333	4,543	4,574	4,686	4,950
13	Provincial and Municipal.....	1,804	2,051	2,207	2,320	2,527	2,830	3,194

1. For total government revenue and expenditure excluding inter-governmental transfers, see Tables 8 and 9.

2. Includes defence expenditure of \$493 million in 1950; \$1,157 million in 1951; \$1,800 million in 1952; \$1,907 million in 1953; \$1,727 million in 1954; \$1,756 million in 1955 and \$1,800 million in 1956.

TABLE 35. Direct Taxes — Persons, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
(millions of dollars)								
	Federal:							
1	Income.....	612	890	1,177	1,287	1,277	1,269	1,461
2	Succession Duties.....	35	35	39	40	41	55	88
3	Miscellaneous.....	7	6	7	2	1	1	1
4	Total.....	654	931	1,223	1,329	1,319	1,325	1,550
	Provincial and Municipal:							
5	Income.....	—	—	—	—	19	28	34
6	Motor Vehicle Licences and Permits ¹	24	28	29	31	32	36	45
7	Succession Duties.....	31	34	34	33	37	72	58
8	Hospital (Saskatchewan and B.C.).....	18	21	21	20	9	9	10
9	Miscellaneous.....	13	16	16	19	21	21	23
10	Total.....	86	99	100	103	118	166	170
11	Grand Total.....	740	1,030	1,323	1,432	1,437	1,491	1,720

1. Personal share only. The business share is treated as an indirect tax.

TABLE 36. Direct Taxes — Corporations, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Federal:							
1	Income	835	1,240	1,269	1,140	1,050	1,200	1,333
	Provincial:							
	Income:							
2	Provinces under Taxation Agreements	28	39	25	—	—	—	—
3	Provinces not under Taxation Agreements (excluding mining tax).....	111	139	73	64	53	52	61
4	Tax on Mining Profits (Ont., P.Q., B.C.)	7	11	11	12	11	10	16
5	Total	146	189	109	76	64	62	77
6	Grand Total	981	1,429	1,378	1,216	1,114	1,262	1,410

TABLE 37. Indirect Taxes, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Federal:							
1	Insurance companies	4	4	5	13	14	14	15
2	Customs import duties	257	355	369	416	387	452	545
3	Excise duties	226	233	245	228	225	242	267
4	Excise taxes	620	889	960	1,023	974	1,028	1,131
5	Miscellaneous	8	14	16	17	12	8	14
6	Total	1,115	1,493	1,595	1,697	1,612	1,744	1,972
	Provincial and Municipal:							
7	Amusement	21	22	24	26	26	24	24
8	Corporation tax (not on profits)	23	25	20	16	18	18	19
9	Gasoline	156	179	191	216	235	260	288
10	Licences, fees and permits	39	35	37	40	44	44	45
11	Motor vehicle licences and permits ¹	42	45	49	51	56	61	78
12	Public domain	78	84	90	83	83	103	120
13	Real and personal property	406	476	544	588	633	692	751
14	Retail sales tax (incl. liquor and tobacco)	112	130	140	158	176	201	240
15	Miscellaneous	89	115	124	142	150	170	185
16	Total	966	1,111	1,219	1,320	1,421	1,573	1,750
17	Grand Total	2,081	2,606	2,814	3,017	3,033	3,317	3,722

1. Business share only. The personal share is treated as a direct tax.

TABLE 38. Government Investment Income, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Federal:							
1	Interest on government-held public funds.....	27	33	51	56	63	68	74
2	Interest on loans, advances and investments	62	76	86	58	69	60	65
3	Profits (net of losses) of government business enterprises.....	45	58	80	102	85	120	156
4	Total.....	134	167	217	216	217	248	295
	Provincial and Municipal:							
5	Interest on government-held public funds.....	32	34	36	41	44	43	45
6	Interest on loans, advances and investments	34	38	42	51	61	63	72
7	Profits (net of losses) of government business enterprises	200	217	237	257	273	287	299
8	Total	266	289	315	349	378	393	416
9	Grand Total	400	456	532	565	595	641	711

TABLE 39. Employer and Employee Contributions to Social Insurance and Pension Funds, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Federal:							
1	Public service pensions	41	62	76	91	103	119	137
2	Unemployment insurance	118	152	154	159	158	165	184
3	Total.....	159	214	230	250	261	284	321
	Provincial and Municipal:							
4	Public service pensions	34	37	43	50	50	51	51
5	Workmen's compensation	54	66	72	76	71	72	76
6	Industrial employees' vacations.....	9	12	13	14	14	16	16
7	Total	97	115	128	140	135	139	143
8	Grand Total	256	329	358	390	396	423	464

TABLE 40. Government Expenditure on Goods and Services, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Federal:							
1	Wages, salaries and supplementary labour income...	330	411	478	523	586	628	680
2	Military pay and allowances	137	201	270	309	367	394	424
3	Interest on public debt incurred to finance existing real assets	22	20	20	20	20	20	20
4	Other Purchases of goods and services	491	1,062	1,701	1,686	1,442	1,419	1,507
5	Total ¹	980	1,694	2,469	2,538	2,415	2,461	2,631
	PROVINCIAL AND MUNICIPAL:							
	Wages, salaries and supplementary labour income:							
6	Municipal school corporations	206	230	267	298	335	375	424
7	Other (excl. water works)	397	452	516	556	603	662	734
8	Interest on public debt incurred to finance existing real assets	84	83	93	101	111	122	130
9	Other purchases of goods and services	659	784	900	895	949	1,108	1,290
10	Total	1,346	1,549	1,776	1,850	1,998	2,267	2,578
11	Grand Total ²	2,326	3,243	4,245	4,388	4,413	4,728	5,209

1. Defence expenditure included in this total is as follows: 1950, \$493 million; 1951, \$1,157 million; 1952, \$1,800 million; 1953, \$1,907 million; 1954, \$1,727 million; 1955, \$1,756 million; 1956, \$1,800 million.

2. Includes capital outlays by government as follows:

	1950	1951	1952	1953	1954	1955	1956
	(millions of dollars)						
Federal	173	273	433	408	296	319	360
Provincial and Municipal	426	494	596	593	658	756	923
Total	599	767	1,029	1,001	954	1,075	1,283

(See also Table 54)

TABLE 41. Government Transfer Payments Including Interest, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Federal:							
1	Family Allowances	307	318	330	346	362	378	394
2	War Service Gratuities	—	—	3	3	1	—	—
3	Re-Establishment Credits	18	11	7	7	6	4	3
4	Rehabilitation Benefits	18	10	5	2	3	2	1
5	Pensions World Wars I and II ¹	87	84	115	115	117	119	119
6	War Veterans' Allowances	27	27	30	30	31	39	44
7	Unemployment Insurance Benefits	99	77	119	158	241	229	210
8	Prairie Farm Assistance Act.	14	10	5	2	2	33	5
9	Pensions to Government Employees	18	21	23	25	25	31	35
10	Interest on Debt not Incurred to Finance Existing Real Assets	405	407	421	441	484	474	504
11	Old Age Security Fund Payments	—	—	317	335	350	363	376
12	Miscellaneous	27	19	25	23	23	28	29
13	Total	1,020	984	1,400	1,487	1,645	1,700	1,720
	Provincial and Municipal:							
14	Direct Relief	29	28	26	25	30	35	36
15	Workmen's Compensation Benefits	41	45	53	57	58	58	59
16	Old Age Pensions	144	152	48	52	56	58	65
17	Mothers' and Dependents' Allowances	19	20	22	22	27	33	36
18	Pensions to Government Employees	17	19	21	23	25	27	27
19	Provincial and Municipal Grants to Private Non- Commercial Institutions	153	173	190	213	251	268	298
20	Interest on Debt not Incurred to Finance Existing Real Assets	37	43	46	48	54	54	64
21	Miscellaneous	15	18	21	26	26	26	28
22	Total	455	498	427	466	527	559	613
23	Grand Total	1,475	1,482	1,827	1,953	2,172	2,259	2,333

1. Excludes pensions paid to non-residents, which are treated as government expenditure on goods and services. In 1956, the amount excluded was \$12 million.

TABLE 42. Subsidies, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Federal:							
	Department of Agriculture:							
1	Feed freight assistance, Western grain	15	16	19	18	19	16	17
2	Hog premiums	5	5	7	5	5	6	6
3	Agricultural Prices Support Board loss	4	2	32	38	3	6	4
4	Special payment to farmers, U.K. Wheat Agreement	—	65	—	—	—	—	—
5	Miscellaneous	6	4	3	1	6	2	1
6	Total Agriculture	30	92	61	62	33	30	28
	Other Federal Subsidies:							
7	Emergency Gold Mines Assistance Act	10	10	12	14	15	11	9
8	Maritime Freight Rates Act	8	10	10	11	11	11	12
9	Movement of coal	3	4	6	8	12	11	9
10	Canadian Wheat Board trading loss	2	—	—	—	—	—	—
11	Assistance re storage costs on grain	—	—	—	—	—	—	44
12	Miscellaneous	7	8	7	11	13	12	16
13	Total Other	30	32	35	44	51	45	90
14	Total Federal Subsidies	60	124	96	106	84	75	118
15	Total Provincial Subsidies	3	4	4	4	2	4	3
16	Grand Total All Subsidies	63	128	100	110	86	79	121

TABLE 43. Transfers to Other Governments, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Federal:							
1	Old age and blind pensions	101	106	44	23	23	25	24
2	Subsidies to provinces	19	19	21	20	20	20	20
3	Taxation agreements ¹	82	86	244	308	330	329	359
4	Health grants to provinces	19	22	27	27	31	34	34
5	Miscellaneous	30	26	32	34	26	42	44
6	Total	251	259	368	412	430	450	481

1. An adjustment has been made to exclude provincial corporation taxes collected by the federal government (net of remittances to the provinces) from the figures.

Section 5
MISCELLANEOUS TABLES

TABLE 44. Personal Expenditure on Consumer Goods and Services, 1950-1956¹

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Food	3,039	3,488	3,669	3,747	3,881	4,065	4,326
2	Tobacco and Alcoholic Beverages.....	1,094	1,155	1,288	1,322	1,351	1,405	1,477
3	Clothing and Personal Furnishings	1,568	1,708	1,842	1,881	1,866	1,938	2,059
4	Shelter ²	1,376	1,560	1,738	1,916	2,114	2,322	2,506
5	Household Operation	1,504	1,590	1,809	1,894	2,028	2,246	2,427
6	Transportation	1,475	1,559	1,701	1,928	1,893	2,184	2,339
7	Personal and Medical Care and Death Expenses.....	730	813	910	985	1,091	1,133	1,195
8	Miscellaneous	1,243	1,400	1,409	1,439	1,657	1,846	2,227
9	Grand Total	12,029	13,273	14,366	15,112	15,881	17,139	18,556
10	Durable Goods ³	1,343	1,399	1,588	1,790	1,694	1,919	2,061
11	Non-Durable Goods	7,241	7,969	8,374	8,581	8,997	9,673	10,513
12	Services ⁴	3,445	3,905	4,404	4,741	5,190	5,547	5,982

1. For complete list of content of groups, see "National Accounts, Income and Expenditure, 1926-1950", page 123.

2. Excludes transient shelter.

3. Includes jewellery, watches, clocks, silverware, home furnishings, furniture, appliances and radios, and automobiles. Non-specified durable goods are included residually with non-durable goods.

4. Includes net expenditure on cars.

TABLE 45. Imputed Expenditure (or Income in Kind) included in Personal Expenditure, 1950-1956¹

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Food:							
1	Farm consumed farm produce	210	213	215	192	185	188	187
2	Other ²	62	90	87	83	82	84	92
	Shelter:							
3	Imputed Residential Rent	701	811	911	1,023	1,154	1,278	1,394
4	Imputed Lodging, Non-Residential ³	19	22	22	23	23	24	26
5	Other ⁴	111	126	133	137	140	146	152
6	Total	1,103	1,262	1,368	1,458	1,584	1,720	1,851

1. Included in Table 44.

2. Includes food issued to members of the armed forces and to employees in lieu of wages.

3. Lodging in bunk houses, ships, hotels, etc., furnished to employees in lieu of wages.

4. Includes clothing issued to the armed forces, wood fuel cut and used on farms, and estimated services rendered by banks to persons without specific charge.

TABLE 46. Selected Commodity Detail of Merchandise Exports
(as per totals in Table 55 Line 1)

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Agricultural and Vegetable Products	637	894	1,183	1,097	803	752	975
	Wheat	326	441	621	568	375	338	513
	Wheat Flour	94	114	116	102	88	74	72
2	Animals and Animal Products	366	348	238	251	270	264	260
3	Fibres, Textiles and Products	30	37	28	24	21	23	23
4	Wood, Wood Products and Paper	1,113	1,399	1,367	1,293	1,378	1,521	1,515
	Newsprint paper	486	536	592	619	636	666	708
	Planks and boards	291	312	296	283	325	385	326
	Wood pulp	209	365	292	249	271	297	305
5	Iron and its Products	251	342	407	358	301	399	459
	Farm implements and machinery (except tractors) and parts	79	97	96	68	71	72	64
	Machinery (non-farm) and parts	26	40	47	39	38	36	47
	Automobiles, passenger	19	38	44	36	8	13	17
	Automobiles, freight	9	25	49	22	4	6	5
	Automobiles' parts (except engines)	12	16	19	17	15	20	20
	Iron ore	13	19	22	31	40	100	144
6	Non-Ferrous Metals and Products	457	570	707	682	709	826	914
	Aluminum, primary and semi-fabricated	103	121	155	173	182	211	235
	Nickel, primary and semi-fabricated	105	137	151	163	182	215	223
	Copper, primary and semi-fabricated	83	82	101	117	127	164	194
	Zinc, primary and semi-fabricated	59	84	96	58	58	71	74
	Lead, primary and semi-fabricated	38	45	50	38	41	37	35
7	Non-Metallic Minerals and Products	104	132	143	147	146	206	292
	Asbestos, unmanufactured	63	80	87	84	83	95	100
8	Chemicals and Allied Products	100	132	125	138	161	210	228
	Fertilizers, chemical	39	36	42	43	42	56	49
9	Miscellaneous Commodities	60	60	103	125	92	81	124
10	Total Domestic Exports as per Trade of Canada	3,118	3,914	4,301	4,117	3,881	4,282	4,790
11	Adjustments							
	Exports of foreign produce	39	49	55	55	66	69	73
	Other ¹	- 18	- 13	- 17	- 20	- 18	- 19	- 29
12	Total Merchandise Exports as adjusted for Balance of International Payments (Table 55, Line 1)	3,139	3,950	4,339	4,152	3,929	4,332	4,834

1. Includes tourist exports, settlers' effects, private donations, warehousing and other adjustments.

Source: Review of Foreign Trade, Calendar Years 1950 to 1955 inclusive (International Trade Division, D.B.S.); 1956 data are preliminary.

TABLE 47. Selected Commodity Detail of Merchandise Imports
(as per totals in Table 55, Line 7)

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Agricultural and Vegetable Products	484	543	489	488	540	567	629
2	Animals and Animal Products	87	126	86	88	83	108	122
3	Fibres, Textiles and Products	365	484	359	387	333	382	416
4	Wood, Wood Products and Paper	100	137	135	161	166	196	228
5	Iron and its Products	980	1,332	1,407	1,532	1,322	1,606	2,236
	Machinery (non-farm) and parts	226	329	361	402	380	446	629
	Tractors and parts	108	126	119	126	83	115	160
	Rolling mill products	94	173	143	125	98	130	235
	Engines, internal combustion, and parts	47	80	126	108	85	101	121
	Farm implements and machinery (except tractors) and parts	53	70	78	83	60	63	73
	Automobiles, passenger	75	57	49	79	61	84	126
	Automobile parts (except engines)	158	195	190	222	180	247	285
	Pipes, tubes and fittings	35	43	57	58	60	50	125
6	Non-Ferrous Metals and Products	216	291	297	365	357	399	492
7	Non-Metallic Minerals and Products	612	685	642	658	599	664	766
	Petroleum, crude and partly refined	204	233	210	213	213	230	271
	Fuel oils	46	58	65	65	71	78	82
	Gasoline	40	33	39	49	35	36	35
	Coal, bituminous	119	115	100	95	70	74	97
	Coal, anthracite	54	51	49	40	33	30	30
8	Chemicals and Allied Products	158	191	188	222	221	260	289
9	Miscellaneous Commodities	172	296	428	482	470	530	532
10	Total Imports as per Trade of Canada	3,174	4,085	4,031	4,383	4,093	4,712	5,710
11	Adjustments¹	-45	12	-181	-173	-177	-172	-142
12	Total Merchandise Imports as adjusted for Balance of International Payments (Table 55, Line 7)	3,129	4,097	3,850	4,210	3,916	4,540	5,568

1. Includes tourist imports, settlers' effects, advertising, warehousing and other adjustments.

Source: Review of Foreign Trade, Calendar Years 1950 to 1955 inclusive (International Trade Division, D.B.S.).
1956 data are preliminary.

TABLE 48. Analysis of Corporation Profits, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Corporation Profits before Taxes	2,506	2,810	2,670	2,570	2,350	2,872	3,240
2	Deduct: Income and Excess Profits Taxes ¹	- 981	- 1,429	- 1,378	- 1,216	- 1,114	- 1,262	- 1,410
3	Corporation Profits after Taxes	1,525	1,381	1,292	1,354	1,236	1,610	1,830
4	Deduct: Dividends Paid to Non-Residents	- 404	- 370	- 334	- 317	- 327	- 389	- 445
5	Corporation Profits Retained in Canada	1,121	1,011	958	1,037	909	1,221	1,385
6	Deduct: Dividends Paid to Canadian Persons	- 252	- 263	- 264	- 255	- 260	- 280	- 320
7	Charitable Contributions from Corporations	- 25	- 27	- 27	- 28	- 25	- 31	- 35
8	Undistributed Corporation Profits	844	721	667	754	624	910	1,030

1. Includes elective tax on undistributed income of \$54 million in 1950, \$48 million in 1951, \$10 million in 1952, \$10 million in 1953, \$7 million in 1954 and \$9 million in 1956.

TABLE 49. Depreciation Allowances and Similar Business Costs, 1950-1956, Classified by "Type" and "Form of Organization"

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	By Type:							
1	Charges Relating to Capital Consumption ¹	1,572	1,841	2,044	2,327	2,616	2,803	3,069
2	Other charges ²	64	69	76	91	57	75	82
3	Total Depreciation Allowances and Similar Business Costs (1+2) = (4+5+6)	1,636	1,910	2,120	2,418	2,673	2,878	3,151
	By Form of Organization:							
4	Corporations	852	1,017	1,155	1,353	1,535	1,661	1,873
5	Individuals and Unincorporated Business ³	678	768	830	914	985	1,042	1,089
6	Government Business Enterprises	106	125	135	151	153	175	189

1. Includes charges for depreciation, obsolescence, amortization, capital outlay charged to current expense and claim portion of business and residential property insurance.

2. Includes bad debt charges (less recoveries) and claim portion of business theft, liability and fidelity insurance.

3. Includes co-operatives and non-commercial institutions.

TABLE 50. Gross National Expenditure in Constant (1935-1939) Dollars, 1950-1956

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Personal Expenditure on Consumer Goods and Services	7,022	6,978	7,382	7,782	8,103	8,762	9,348
2	Government Expenditure on Goods and Services	1,375	1,713	2,149	2,143	2,079	2,150	2,245
	Gross Domestic Investment:							
3	New Residential Construction	340	290	284	372	406	502	509
4	New Non-Residential Construction	554	606	699	735	721	779	1,016
5	New Machinery and Equipment	784	890	969	1,027	889	926	1,126
6	Change in Inventories	303	453	220	301	115	158	303
7	Exports of Goods and Services	2,027	2,215	2,448	2,440	2,347	2,512	2,683
8	Deduct: Imports of Goods and Services	- 2,095	- 2,342	- 2,426	- 2,637	- 2,518	- 2,848	- 3,304
9	Sub Total	10,310	10,803	11,725	12,163	11,912	12,941	13,926
10	Residual Error of Estimate	1	27	- 47	- 7	38	- 28	- 31
11	Adjusting Entry ¹	19	105	- 1	- 35	- 106	- 6	- 64
12	Gross National Expenditure in Constant (1935-1939) Dollars	10,330	10,935	11,677	12,121	11,844	12,907	13,831
13	Percentage Change from previous Year	+ 6.3%	+ 5.9%	+ 6.8%	+ 3.8%	- 2.3%	+ 9.0%	+ 7.2%

1. The price indexes from 1950 to 1955, as shown in Table 4, were converted to a 1935-1939 base using 1949 as the year of overlap between old and new series. They were then divided into the current dollar figures of Table 2, to give the constant (1935-1939) dollar series shown above. This procedure was followed in the case of Gross National Expenditure, line 12, as well as the major components. It may be noted that this procedure yields year-to-year movements in the constant dollar series which are identical with those shown in Table 3. However, a small residual difference, produced by the change in the major group weighting pattern, is entered to make the components add up to the Gross National Expenditure in constant (1935-1939) dollars as determined in this way.

TABLE 51. Implicit Price Deflators - Gross National Expenditure, 1950-1956
(1935-1939 = 100)

No.		1950	1951	1952	1953	1954	1955	1956
1	Personal Expenditure on Consumer Goods and Services	171.3	190.2	194.6	194.2	196.0	195.6	198.5
2	Government Expenditure on Goods and Services	169.2	189.3	197.5	204.8	212.3	219.9	232.0
	Gross Domestic Investment:							
3	New Residential Construction	235.8	268.9	276.9	285.2	287.0	294.8	305.4
4	New Non-Residential Construction	185.2	207.9	222.4	232.1	230.1	237.0	251.0
5	New Machinery and Equipment	177.1	198.8	197.8	201.8	207.0	210.2	223.1
6	Exports of Goods and Services	206.4	229.8	227.7	221.3	219.3	229.0	235.2
7	Deduct: Imports of Goods and Services	215.4	239.7	222.6	221.6	221.4	225.8	233.0
8	Residual Error of Estimate	172.7	189.5	201.4	202.9	205.1	208.3	214.8
9	Gross National Expenditure	171.9	191.3	200.1	201.6	206.1	207.1	213.8

Section 6
RECONCILIATION STATEMENTS

TABLE 52. Accrued Net Income of Farm Operators from Farm Production, 1950-1956
Reconciliation Statement

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Net Income of Farm Operators from Farming Operations ¹	1,452	2,159	1,929	1,701	1,194	1,458	
2	Deduct: Amounts Included in Investment Income ²	- 36	- 41	- 42	- 42	- 41	- 43	
3	Deduct: Transfer Payments under Prairie Farm Assistance Act ³	- 14	- 10	- 5	- 2	- 2	- 33	Not
4	Equals: Net Income Received by Farm Operators From Farm Production	1,402	2,108	1,882	1,657	1,151	1,382	Avail- able
5	Adjustment on grain transactions ⁴	101	- 36	- 31	- 5	- 4	22	
6	Accrued Net Income of Farm Operators from Farm Production ⁵	1,503	2,072	1,851	1,652	1,147	1,404	1,608

1. These figures are as published by the Agriculture Division, Dominion Bureau of Statistics, with the exception that provisional estimates for Newfoundland are included.

2. This item includes corporation profits in agriculture and imputed net rent of owner-occupied houses.

3. These items are deducted since transfer payments are excluded from "Net National Income at Factor Cost".

4. Since the National Income purports to measure earnings out of current production rather than receipts of income, it is appropriate to include in Table 1 income accruing to farm operators from farm production rather than income received. Accordingly, an adjustment, consisting of two parts, is made. The first part takes account of the undistributed earnings of the Canadian Wheat Board. The second part of the adjustment allows for the fact that current earnings of this agency are calculated on the basis of the change in book values of inventories, whereas the required valuation of inventories for the National Accounts is the value of the physical change. All the figures are on a calendar year basis.

5. See also Table 1.

TABLE 53. Federal Government Surplus or Deficit, 1950-1956
Reconciliation Statement

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Surplus or deficit as per Public Accounts 1949-50, 1950-51, 1951-52, 1952-53, 1953-54, 1954-55, 1955-56 (fiscal years ended March 31) ¹	131	211	248	24	46	- 152	- 33
2	Difference between fiscal and calendar year	122	300	- 367	- 24	- 195	11	305
3	Extra-budgetary receipts, pension and social insurance funds	186	252	437	548	573	617	687
4	Excess of corporation tax accruals over collections	140	161	45	- 97	- 7	196	103
5	Revenue items omitted	- 73	- 67	- 49	- 92	- 79	- 21	- 37
6	Extra-budgetary expenditures, pension and social insurance funds	- 130	- 108	- 464	- 520	- 618	- 656	- 627
7	Reserves, write-offs and similar items charged to expenditure	130	167	195	139	145	110	134
8	Shipment of previously produced military equipment to N.A.T.O. (less expenditures of Defence Equipment Replacement Account)	57	70	95	55	5	- 2	- 22
9	Other adjustments ²	77	56	116	110	73	79	79
10	Surplus or deficit as per National Accounts (calendar years ended December 31)	640	1,042	256	143	- 57	182	589

1. It should be noted that the Public Accounts fiscal year figures include only three months of the calendar year in which the fiscal year ends. For example fiscal year 1951-52 includes only January to March 1952, the balance of the fiscal year being in the calendar year 1951. An adjustment is therefore necessary to the fiscal figures to exclude the nine months which apply to the calendar year 1951, and to include the nine months of the calendar year 1952 not covered by the 1951-52 fiscal year. This adjustment is made on the basis of published statements of the Comptroller of the Treasury.

2. Includes adjustment in 1952 and subsequent years to convert interest on the public debt from an accrual to a "due date" basis, in order to retain comparability with the historical series.

TABLE 54. Gross Domestic Investment (excluding Inventories), 1950-1956
Reconciliation Statement

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
1	Total Private and Public Investment in Canada¹	3,815	4,577	5,285	5,841	5,620	6,350	7,900
2	Deduct: New Residential Construction by Governments ^{2,3}	- 44	- 40	- 40	- 23	- 12	- 18	- 19
3	Deduct: New Non-Residential Construction by Governments ³	- 495	- 654	- 883	- 875	- 843	- 968	- 1,159
4	Deduct: New Machinery and Equipment Outlays by Governments ³	- 60	- 73	- 106	- 103	- 99	- 89	- 105
5	Total Gross Domestic Investment (excluding inventories) (1-2-3-4) = (6+7+8)	3,216	3,810	4,256	4,840	4,666	5,275	6,617
6	New Residential Construction ⁴	801	781	786	1,061	1,166	1,481	1,556
7	New Non-Residential Construction ⁴	1,026	1,260	1,554	1,706	1,659	1,847	2,549
8	New Machinery and Equipment ⁴	1,389	1,769	1,916	2,073	1,841	1,947	2,512

1. As presented in the publications "Private and Public Investment in Canada, Outlook, 1957" and similar reports for prior years. (Department of Trade and Commerce).

2. Excluding residential construction under Veterans' Land Act, construction of veterans' rental housing by Central Mortgage and Housing Corporation, and joint Federal-Provincial housing (Section 46, N.H.A.).

3. Included in "Government Expenditure on Goods and Services", line 2, Table 2.

4. See also lines 3, 4 and 5, Table 2.

TABLE 55. Analysis and Reconciliation of Exports and Imports, 1950-1956¹

No.		1950	1951	1952	1953	1954	1955	1956
		(millions of dollars)						
	Exports of Goods and Services:							
1	Merchandise Exports	3,139	3,950	4,339	4,152	3,929	4,332	4,834
2	Gold available for Export	163	150	150	144	155	155	150
3	Receipts from Services rendered to Non-Residents (including dividends and interest received from abroad)	938	1,066	1,169	1,195	1,152	1,352	1,424
4	Subtotal: "Current Receipts" as per "Canadian Balance of International Payments"	4,240	5,166	5,658	5,491	5,236	5,839	6,408
5	Adjustments ²	- 57	- 77	- 85	- 91	- 89	- 86	- 98
6	Total "Exports of Goods and Services" as per National Accounts³	4,183	5,089	5,573	5,400	5,147	5,753	6,310
	Imports of Goods and Services:							
7	Merchandise Imports	3,129	4,097	3,850	4,210	3,916	4,540	5,568
8	Payments for Services rendered by Non-Residents (including interest and dividends paid abroad) ..	1,445	1,586	1,644	1,724	1,752	1,991	2,238
9	Subtotal: "Current Payments" as per "Canadian Balance of International Payments"	4,574	5,683	5,494	5,934	5,668	6,531	7,806
10	Adjustments ²	- 61	- 70	- 94	- 91	- 94	- 101	- 107
11	Total "Imports of Goods and Services" as per National Accounts³	4,513	5,613	5,400	5,843	5,574	6,430	7,699

1. Data sources are reports on the "Canadian Balance of International Payments" (Balance of Payments Section, Dominion Bureau of Statistics). Figures exclude Mutual Aid to N.A.T.O. Countries.

2. Migrants' funds and inheritances.

3. See also Table 2.

APPENDIX A

TABLE I. Population of Canada by Provinces, 1950-1956

Estimated as of June 1 for Intercensal Years

	1950	1951	1952	1953	1954	1955	1956
	(in thousands)						
Newfoundland	351	361	374	383	395	406	415
Prince Edward Island	96	98	100	101	101	100	99
Nova Scotia	638	643	653	663	673	683	695
New Brunswick	512	516	526	533	540	547	555
Quebec	3,969	4,056	4,174	4,269	4,388	4,517	4,628
Ontario	4,471	4,598	4,788	4,941	5,115	5,266	5,405
Manitoba	768	776	798	809	823	839	850
Saskatchewan	833	832	843	861	873	878	881
Alberta	913	939	973	1,012	1,057	1,091	1,123
British Columbia ¹	1,137	1,165	1,205	1,248	1,295	1,342	1,399
Yukon ¹	8	9	9	9	10	11	12
Northwest Territories ¹	16	16	16	16	17	18	19
Canada	13,712	14,009	14,459	14,845	15,287	15,698	16,081

1. In Tables 27 to 32 (Geographical Distribution of Personal Income), figures for the Yukon and Northwest Territories are included with British Columbia. Per capita estimates of personal income for British Columbia therefore require that a similar adjustment be made to the population data.

TABLE II. The Civilian Labour Force,¹ 1950-1956

Annual Averages²

	1950	1951	1952	1953	1954	1955	1956
	(in thousands)						
Civilian Non-Institutional Population, 14 years of age and over	9,513	9,726	9,946	10,144	10,300	10,529	10,710
Civilian labour force:							
Persons with jobs:							
Non-agricultural	3,935	4,171	4,295	4,388	4,321	4,510	4,753
Agricultural	1,007	940	891	858	873	818	773
Total Persons with Jobs	4,942	5,111	5,186	5,246	5,194	5,328	5,526
Persons without Jobs and seeking work	164	106	129	137	232	230	179
Total Civilian Labour Force³	5,106	5,217	5,315	5,383	5,426	5,558	5,705

1. Figures from 1952 to 1956 are subject to revision.

2. Average of the quarterly labour force surveys in 1950, 1951 and 1952 and of the monthly surveys in 1953, 1954, 1955 and 1956.

3. The number of persons in the regular Armed Forces not included in these totals is as follows: 1950, 53,000 persons; 1951, 77,000 persons; 1952, 97,000 persons; 1953, 105,000 persons; 1954, 114,000 persons; 1955, 117,000 persons; 1956, 117,000 persons. The figures are quarterly averages for the years 1950 to 1952, and monthly averages for the years 1953 to 1956.

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