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INCOME AND EXPENDITURE

1960

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Published by Authority of
The Honourable George Hees, Minister of Trade and Commerce

June, 1961
2201-501

Price 75 cents

The data in this publication carry forward the statistical series given in the basic reference document *National Accounts, Income and Expenditure, 1926-1956*. Revisions to primary source data for the years 1957, 1958 and 1959 have been incorporated.

May, 1961.

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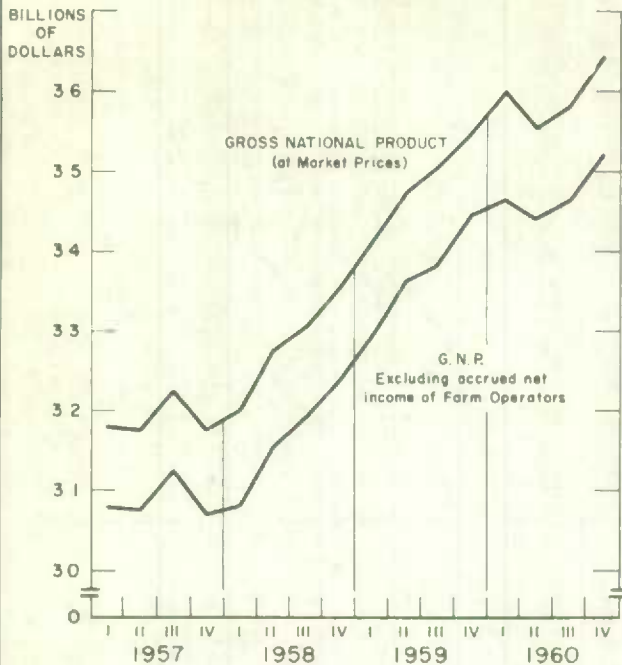
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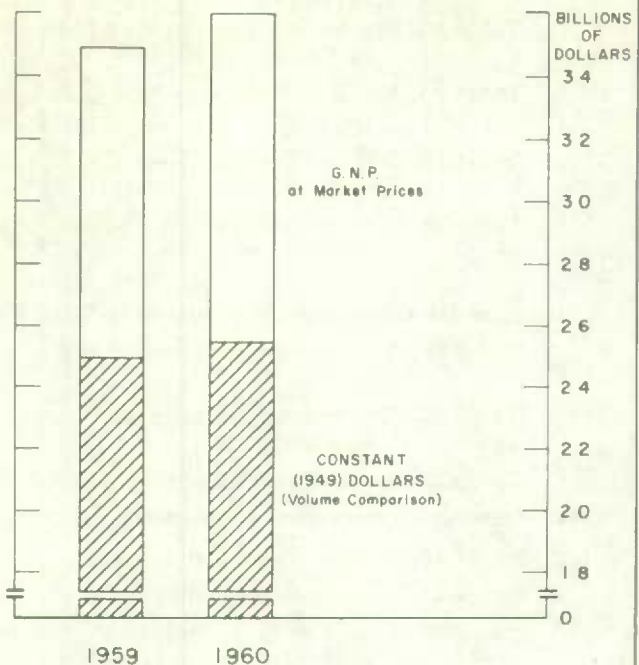
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THE ADVANCE IN GROSS NATIONAL PRODUCT WAS INTERRUPTED IN 1960, PRODUCTION DECLINED IN THE SECOND QUARTER OF THE YEAR

(SEASONALLY ADJUSTED AT ANNUAL RATES)

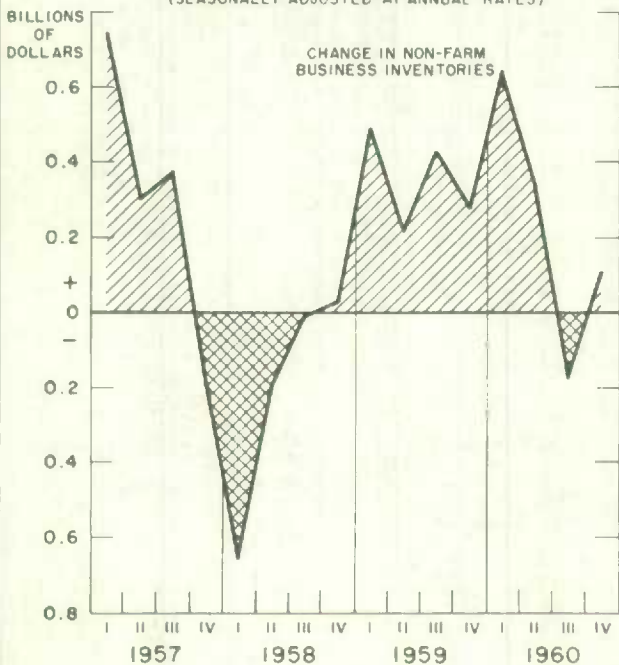


THE VALUE INCREASE FOR THE YEAR AS A WHOLE AMOUNTED TO 3 PER CENT, WITH THE VOLUME OF PRODUCTION HIGHER BY ABOUT 2 PER CENT



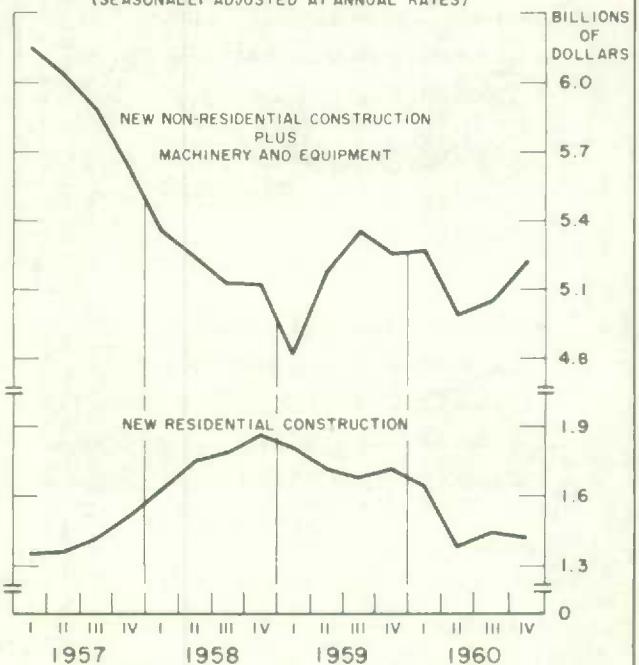
CUT-BACKS IN THE INVENTORY SECTOR WERE A MAJOR FACTOR CONTRIBUTING TO THE SLOW-DOWN IN ACTIVITY; BY THE THIRD QUARTER OF THE YEAR, FINAL DEMAND WAS BEING MET IN PART BY DRAWING UPON STOCKS ON HAND, BUT THE LIQUIDATION DID NOT CONTINUE INTO THE FOURTH QUARTER

(SEASONALLY ADJUSTED AT ANNUAL RATES)



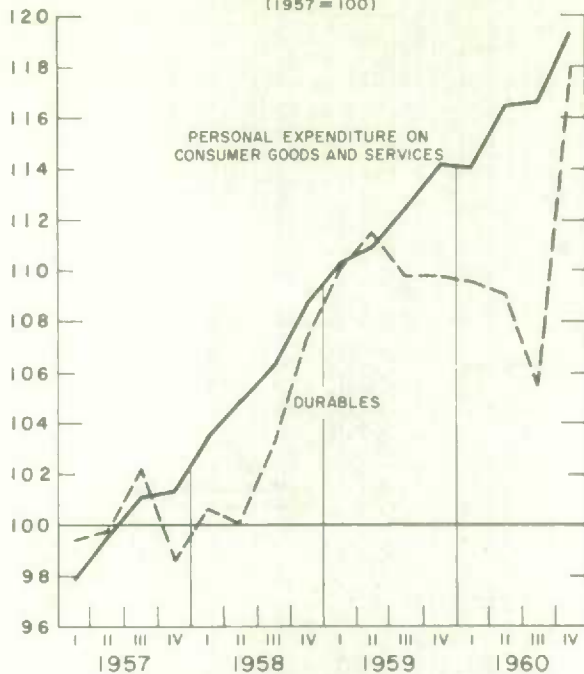
BUSINESS OUTLAYS FOR NEW PLANT AND EQUIPMENT WEAKENED IN THE LATTER PART OF 1959, BUT THE DECLINE WAS HALTED IN THE LAST HALF OF 1960. OUTLAYS FOR NEW HOUSING MOVED DOWNWARD DURING THE YEAR

(SEASONALLY ADJUSTED AT ANNUAL RATES)



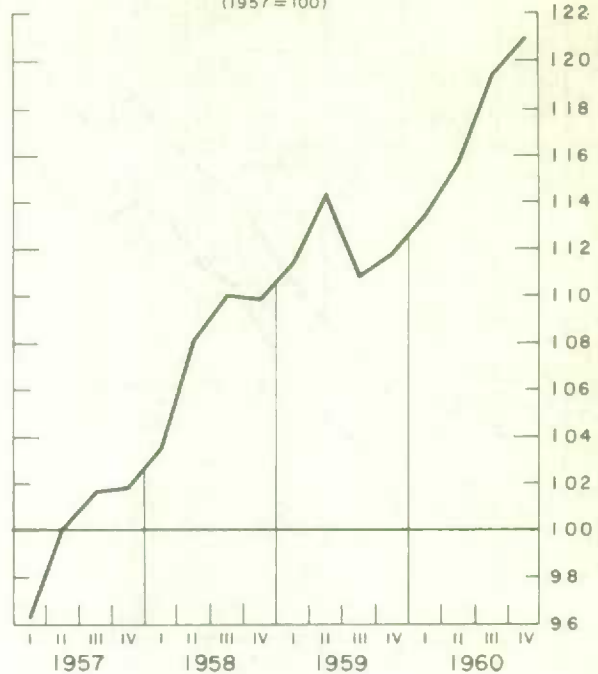
CONSUMER EXPENDITURE CONTINUED TO PROVIDE STRENGTH ON THE DEMAND SIDE, ALTHOUGH THE ADVANCE WAS UNEVEN; OUTLAYS FOR DURABLE GOODS CONTINUED WEAK UNTIL THE FINAL QUARTER OF THE YEAR

(1957 = 100)



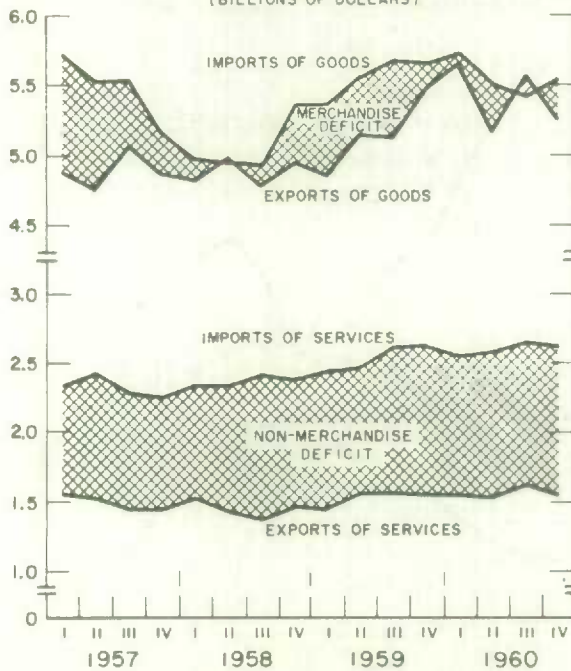
GOVERNMENT EXPENDITURE ON GOODS AND SERVICES MOVED UPWARD IN 1960, AND CONTRIBUTED AN IMPORTANT ADDITIONAL ELEMENT OF STRENGTH ON THE DEMAND SIDE

(1957 = 100)



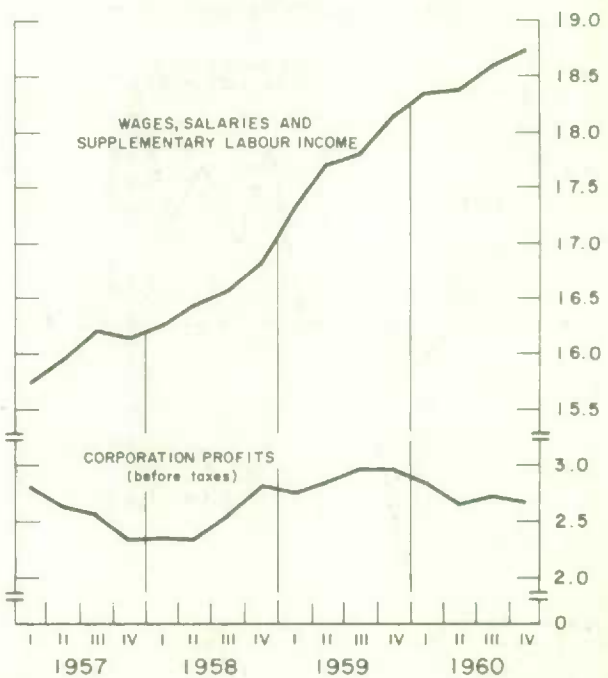
EXPORTS OF GOODS MOVED IRREGULARLY DURING THE YEAR, AND FOR 1960 AS A WHOLE AVERAGED 4 PER CENT ABOVE 1959, REFLECTING THE STRENGTH OF OVERSEAS DEMAND. IMPORTS WERE ONLY FRACTIONALLY ABOVE 1959 LEVELS. THE DEFICIT ON MERCHANDISE ACCOUNT WAS REDUCED, BUT THE DEFICIT ON SERVICES CONTINUED TO WIDEN

(BILLIONS OF DOLLARS)



THE ADVANCE IN LABOUR INCOME SLOWED IN 1960, AND CORPORATION PROFITS DECLINED

(BILLIONS OF DOLLARS)



(IN ALL CHARTS DATA ARE SEASONALLY ADJUSTED AT ANNUAL RATES)

INTRODUCTORY REVIEW

The year 1960 — Annual Review

The advance in Gross National Product was interrupted in 1960, as the level of economic activity eased in response to downward tendencies in several components of end-product demand. During the year, the pattern of developments was highlighted by a slackening in the growth of total final purchases in the first quarter and a decline in both final purchases and in the value of production in the second quarter. Although final demand recovered in the third quarter, the renewed strength was not fully transmitted to production since the increased requirements were met, in part, by cut-backs in the inventory sector. In the fourth quarter, while both final and inventory demand were once more exerting an expansionary influence on Gross National Product, the gains were somewhat modified by a decline in external demand for Canadian export products.

These conflicting movements within the year 1960 combined to yield a level of Gross National Product for the full year which averaged about 3 per cent above the level of the year 1959. It is estimated that the physical volume of output in 1960 was about 2 per cent above that of the preceding year,¹ with final product prices higher by around 1½ per cent.

¹ The figures include the value of the 1960 grain crop, which is estimated to be about 11 per cent above the year 1959.

The weakness in end-product demand during the year was centered in business outlays for new plant and equipment, housing construction, and consumer purchases of durable goods other than automobiles. Business outlays for plant and equipment failed to come up to the levels anticipated in the survey of investment intentions at the beginning of 1960, and for the year as a whole were slightly below 1959. Housing outlays were affected by a number of factors, among which were a sharp contraction in the lending activity of the chartered banks and Central Mortgage and Housing Corporation, and an apparent change in basic demand factors. Consumer purchases of durable goods, in turn, were affected by the lower levels of sales of major household appliances, home furnishings, and furniture, associated in part with conditions in the housing market. Cut-backs in the rate of inventory accumulation in the second quarter, and a shift to liquidation in the third quarter, were also among the factors tending to hold production in check.² The main support to the level of activity over the course of the year came from consumer expenditures for non-durable goods and for services; from government purchases of goods and services; and from exports to overseas countries, in particular the United Kingdom and other countries of Western Europe. A perspective of these developments in terms of annual averages is given in the following table.

² The level of demand was also affected in the first quarter by a small but unusual drop in consumer spending for non-durable goods, and by a sharp decline in exports of goods and services in the second quarter.

Changes in Components of Gross National Expenditure, 1959 to 1960

| | Year 1959 | Year 1960 | Change | Per cent change |
|--|---------------------|--------------|-------------|--------------------|
| | billions of dollars | | | |
| Fixed capital formation plus inventories: | | | | |
| Residential construction | 1.7 | 1.5 | -0.3 | -14.9 |
| Non-residential construction | 2.6 | 2.6 | — | — 0.8 |
| Machinery and equipment | 2.6 | 2.6 | — | — 0.1 |
| Inventories | 0.3 | 0.3 | — | — |
| (Non-farm business inventories) | (0.4) | (0.2) | (-0.1) | — |
| Sub-totals | 7.2 | 6.9 | -0.3 | - 3.7 |
| Other purchases: | | | | |
| Consumer expenditure | 22.5 | 23.4 | 0.9 | 4.1 |
| Government expenditure | 8.4 | 6.7 | 0.3 | 4.7 |
| Exports | 6.7 | 7.0 | 0.3 | 4.2 |
| Sub-totals | 35.6 | 37.1 | 1.5 | 4.2 |
| Total final purchases plus inventory investment (Total supply) .. | 42.8 | 44.0 | 1.2 | 2.9 |
| Less imports | -8.1 | -8.1 | — | 0.4 |
| Gross National Expenditure (Total production) | 34.9 | 36.0 | 1.1 | 3.2 |

Note: Figures will not add by +0.1 or -0.1 due to rounding. Per cent changes are based on unrounded data.

The slackening in economic activity during 1960 was also reflected in changes in the direction and magnitude of the income flows. The advance in labour income during the year was little more than half as large as that achieved in 1959, and the earnings of non-farm unincorporated business enterprises declined. While total personal income was higher by 4 per cent, this compares with a gain of 6 per cent in 1959. Earnings of corporations in 1960 fell below the 1959 level by about 6 per cent,

compared with a very substantial increase in the preceding twelve-month period. At the same time, the tax revenues of governments were adversely affected by the reduced flow of income to the business sector, and by the smaller rate of advance in personal incomes, with the result that total government revenues rose by a narrower margin than in 1959. The following table shows percentage changes in the major income components for the periods 1958-59 and 1959-60.

Changes in Major Income Components

| | Per cent change | |
|---|--------------------|--------------------|
| | 1958 to 1959 | 1959 to 1960 |
| Wages, salaries, and supplementary labour income | 7.5 | 4.2 |
| Transfer payments | 4.0 | 13.0 |
| Personal income | 6.5 | 4.3 |
| Corporation profits | 15.4 | -5.9 |
| Rents, interest, and miscellaneous investment income | 7.2 | 3.7 |
| Net income of non-farm unincorporated business | 4.4 | -5.1 |
| Accrued net income of farm operators from farm production | -5.4 | 6.6 |
| National income | 6.9 | 2.6 |
| Selected Government Revenues (All levels of government) | | |
| Direct personal taxes | 16.5 | 13.2 |
| Corporation taxes | 18.5 | -6.0 |
| Indirect taxes | 10.3 | 4.1 |

Production and Employment

Indicators of the total physical volume of output in 1960 show an advance of about 2 per cent. While both the goods and service-producing industries shared in this gain, the major contribution came from the service-producing industries. Output was up significantly in all the service components but movements in the goods-producing group diverged quite widely.

Among the primary industries, agricultural output was moderately higher in 1960, reflecting a substantially larger crop of grain of better quality, accompanied by a decline in the production of livestock and poultry, and little change in the volume of production of other farm products. While output in forestry recorded a gain of 11 per cent over 1959 (which was a strike-affected year), it remained below the record achieved in 1956.

A 1 per cent increase in mining output was the outcome of fairly small and largely offsetting movements in the four components of this industry. Output in metal mining was lower by 2 per cent, reflecting a pronounced drop in the production of uranium and a substantial decline in the output of iron ore, only partly offset by a sharp expansion in the production of nickel, copper and lead. Output in quarrying, which is closely tied to the demands of the construction industry, was down by 5 per cent. All three components, coal, petroleum and natural gas, contributed to the 5 per cent increase in output of the fuels group; the gain in coal and in petroleum was moderate but a large increase (17 per cent) occurred in output of natural gas. A 2 per cent

increase in the output of the non-metals group was accounted for by expanded output of asbestos.

For the third year in succession, the volume of output declined in the construction industry. The drop of nearly 5½ per cent in 1960 is associated with an estimated 17 per cent fall in the volume of residential construction and a fractional decline in the volume of non-residential construction.

A 2.3 per cent increase in the output of non-durable goods combined with a 1.7 per cent decline in durables kept manufacturing production in 1960 fractionally larger than in 1959. Most of the non-durable goods industries recorded gains, but for the most part they were small, with the important exception of chemicals, where output rose 12 per cent. A substantial decline in output occurred in rubber products and leather products, while production declined moderately in the textile industry.

Only two of the durable goods industries expanded production in 1960. The substantial (8 per cent) advance in the output of non-ferrous metal products reflected the buoyancy of overseas export demand. Production of transportation equipment was slightly higher, reflecting increased output of motor vehicles which more than offset lower production of other equipment. In the woods products industry (strike-affected in 1959), production was only slightly lower, despite weakness in the demand from the construction industry in Canada and the United States. Production of electrical apparatus and supplies fell by 2 per cent and the manufacture of both non-metallic minerals, and iron and steel products recorded drops of 6 per cent.

The volume of activity in trade was up about 14 per cent in 1960, with wholesale and retail trade showing the same rates of increase. Within retail trade movements were mixed; food chains continued their steady expansion, raising the volume of their activity by 5 per cent; gains in other trades were for the most part small. One of the more important trades recording less activity in 1960 was lumber and building material dealers which were off 10 per cent.

Output of the utilities continued to make relatively large gains in 1960. The 11 per cent increase reflects an advance of 9 per cent in the production of electricity and another major increase in the distribution of natural gas.

The volume of traffic handled by the transportation industry as a whole rose nearly 2 per cent, in spite of a 3 per cent decline in railways and in bus systems. Railway revenue carloadings show a lower volume for all major commodities except pulpwood, and ores and concentrates; the largest declines were in livestock, iron ore, building materials other than lumber and timber, and autos, trucks and parts. The other components of the transportation industry, trucking, oil pipelines, shipping, and air transport recorded gains ranging from 3 per cent in trucking to 13 per cent in air transport.

The volume of output in the communications industry continued to rise and was up 5 per cent in 1960. Likewise, in the other service-producing industries, there was a further expansion in activity, amounting to 3 per cent in financial services and of about 2 per cent in government service and in other services as a group.

The moderate increase in the volume of the Nation's production in 1960 was accompanied by a roughly equivalent gain in employment, which was up 1.7 per cent in total.

An outstanding feature of the labour market in 1960 was the continued strength of demand in those areas of employment notably trade and services, where women constitute a large proportion of the labour force, as contrasted with the weakness of demand in those areas, notably durable goods manufacturing and construction, where the work force is predominantly male. The consequence of this pattern in the demand for labour was that there was only a fractional gain in the number of men employed in 1960, in contrast to a 6 per cent increase in the number of employed women. The accompanying table shows the distribution of employment in 1959 and 1960, by industry, and by male and female employment.

Employment by Industry — All Status Groups

| | Average year 1959 | Average year 1960 | Per cent change male | Per cent change female | Per cent change total |
|---|-------------------------|-------------------------|----------------------------|------------------------------|-----------------------------|
| | '000's of persons | | | | |
| Agriculture | 692 | 675 | -3.0 | 4.2 | -2.5 |
| Other primary industry ¹ | 197 | 207 | 5.2 | — | 5.1 |
| Manufacturing | 1,494 | 1,470 | -2.1 | 0.3 | -1.6 |
| Construction | 442 | 418 | -5.3 | -8.3 | -5.4 |
| Transportation and other utilities | 520 | 515 | -0.7 | -2.7 | -1.0 |
| Trade | 946 | 981 | 3.2 | 4.7 | 3.7 |
| Finance, insurance and real estate | 216 | 226 | 1.7 | 8.1 | 4.6 |
| Government service | 349 | 373 | 6.3 | 8.8 | 6.9 |
| Other service ² | 999 | 1,090 | 6.8 | 10.8 | 9.1 |
| Total employed | 5,855 | 5,955 | 0.2 | 6.1 | 1.7 |
| Total employed ex. agriculture | 5,163 | 5,280 | 0.8 | 6.1 | 2.3 |

¹ Includes forestry, fishing and trapping, mining, quarrying and oil wells.

² Includes business, personal, community and public, and recreational services.

The increase in employment in 1960 of 1.7 per cent fell somewhat short of the growth of the labour force which amounted to 2.8 per cent. Unemployment as a percentage of the labour force rose from an average of 6 per cent in 1959, to 7 per cent in 1960. Participation rates for the population 14 years of age and over rose from 53.9 per cent to 54.3 per cent, reflecting a slight decline in the male participation rate and a considerable increase in the female participation rate. This development was associated with the relatively favourable opportunities in the market for women workers.

Value, Volume, and Price Comparisons

The volume increase in Gross National Expenditure between 1959 and 1960 of 2 per cent compares with increases of 3 per cent between 1958 and 1959 and 1 per cent between 1957 and 1958. The average annual rate of growth for the post-war period is estimated to be about 4 per cent per year. The value, volume and price components of each of the main expenditure categories are shown in the following table.

Per cent Changes, Value, Volume and Price

| | Year 1960 Year 1959 | | | Year 1959 Year 1958 | | |
|--|------------------------|--------|---------------------------------|------------------------|--------|--------------------|
| | Value | Volume | Laspeyres ¹ Price | Value | Volume | Laspeyres Price |
| Personal expenditure | 4.1 | 2.9 | 1.2 | 5.8 | 4.3 | 1.3 |
| Goods | 3.4 | 2.9 | 0.6 | 4.6 | 4.0 | 0.5 |
| Non-durables | 4.1 | 3.4 | 0.8 | 4.0 | 3.7 | 0.3 |
| Durables | 0.3 | 0.7 | -0.4 | 7.2 | 5.4 | 1.7 |
| Services and net expenditure abroad | 5.3 | 2.8 | 2.3 | 7.9 | 4.9 | 2.8 |
| Government expenditure | 4.7 | 0.9 | 3.5 | 3.9 | 0.6 | 3.0 |
| Business gross fixed capital formation | - 4.1 | - 6.2 | 2.2 | -1.2 | - 3.5 | 2.9 |
| New residential construction | -14.9 | -17.0 | 2.7 | -1.6 | - 5.1 | 3.7 |
| New non-residential construction | - 0.9 | - 3.1 | 2.4 | -7.9 | -10.1 | 2.9 |
| New machinery and equipment | - 0.1 | - 1.8 | 1.7 | 7.1 | 5.2 | 2.4 |
| Exports of goods and services | 4.2 | 2.7 | 0.7 | 5.3 | 2.1 | 1.8 |
| Imports of goods and services | 0.4 | - 1.2 | 1.7 | 9.3 | 10.2 | -0.2 |
| Gross National Expenditure | 3.2 | 2.1 | 1.7 ² | 6.1 | 3.2 | 2.4 |

¹ The price comparisons shown above are based on a set of fixed weight price indexes (1955 = 100), and not upon the implicit price deflators which can be derived by dividing the value series by the volume series. The implicit deflators are weighted by changes in the expenditure pattern over time, and do not permit accurate measurements of price change. A specially constructed set of fixed weight price indexes has therefore been used for purposes of depicting price changes in the above table.

² The implicit price index of G.N.E. in 1960 shows a price increase of 1.1 per cent over 1959. Most of the difference between the implicit index and that shown above is explained by a large increase in the weight of farm and GICC inventories in 1960. A set of low price relatives is associated with these inventories, and the increase in their weight in 1960 has the effect of reducing the level of the total implicit price index.

Final product prices drifted upward slightly between 1959 and 1960, with the aggregate increase being about 1½ per cent. This is the smallest year-over-year price increase for any year since 1955, when the increase was 1.3 per cent, and compares with an average annual price rise of 2.5 per cent for the years 1956 to 1960. The increase in the price of consumer goods and services was

small, and was virtually unchanged from that which occurred between 1958 and 1959. The prices of both capital goods and exports showed a more moderate advance in the current period than between 1958 and 1959. Prices of imported goods, however, which declined fractionally in 1959, rose somewhat in 1960, reflecting, in large part, a lower rate of exchange on the Canadian dollar.

COMPONENTS OF GROSS NATIONAL EXPENDITURE

Personal Expenditure on Consumer Goods and Services

While consumer spending rose somewhat more than consumer disposable income in 1960, it failed to match the gains of the two preceding years. The increase in 1960 amounted to 4 per cent, which compares with nearly 6 per cent in 1958 and 1959. Whereas in these two years, and in 1959 particularly, the market for consumer durables expanded, in 1960 there were important areas of weakness and spending on durables showed only a fractional gain. At the same time, expenditure on non-durable goods rose about 4 per cent, the same rate of increase as in 1959, while expenditure on services rose by more than 5 per cent, compared with a gain of nearly 8 per cent in the preceding year.

Of the increase in total consumer spending in 1960, somewhat more than 1 per cent is accounted for by higher prices in the consumer sector, the

smallest rate of increase in recent years. Services continued to account for the major part of the advance in consumer prices; prices of non-durables were somewhat higher while prices of durables edged downward. The approximately 3 per cent rise in real consumption represents a gain of about 1 per cent in per capita terms.

Consumer purchases of most major categories of non-durables rose in 1960, food purchases by 3 per cent, clothing by 2 per cent, and alcohol and tobacco by 3½ and 5½ per cent respectively. The increase in expenditure on non-durables as a group represented a gain of about 1 per cent in real per capita consumption.

All components of services contributed to the 5½ per cent advance in expenditure. The sharpest rate of increase was for hospital and medical care, which rose by 9 per cent.

Consumer Expenditure

| | Per cent change | |
|---|-----------------|-----------------|
| | 1958 to 1959 | 1959 to 1960 |
| Food | 4.5 | 3.0 |
| Clothing | 4.0 | 2.2 |
| Other | 3.4 | 6.5 |
| Total non-durables | 4.0 | 4.1 |
| Appliances and radios | 3.7 | -4.1 |
| Home furnishings and furniture | 5.1 | -2.9 |
| Autos (New and used) | 9.3 | 3.5 |
| Other | 9.2 | 0.7 |
| Total durable goods | 7.3 | 0.3 |
| Total all goods | 4.6 | 3.4 |
| Total services | 7.9 | 5.3 |
| Total Personal Expenditure (Goods and services) | 5.8 | 4.1 |

Among the durables, an increase of 3½ per cent in purchases of new and used cars was almost offset by lower expenditures for virtually all other durables. Statistics of factory shipments of household durables were in general either unchanged or considerably lower. For example, shipments of washers were down 10 per cent, of electric stoves 12 per cent, of radios 10 per cent and of television sets 16 per cent. On the other hand, there was an increase of over 60 per cent in shipments of home freezers. The widespread weakness in the demand for household durables is probably related in part to the much reduced level of activity in housing.

A 7 per cent increase in the sale of new passenger cars to persons in 1960 compares with one of 10 per cent in the preceding year. As in 1959, the rise in sales to persons of British and European cars was large relative to the increase in sales of North American cars, although the disparity was less marked in 1960. Sales to persons of British and European cars were up nearly 20 per cent and sales of North American cars less than 5 per cent.

With consumer outlays higher by 4 per cent in 1960 and disposable income showing a smaller gain of 3.5 per cent, the rate of personal saving fell. In 1959, personal saving amounted to 7.2 per cent of disposable income, in 1960, to 6.7 per cent.

Business Gross Fixed Capital Formation

Business gross fixed capital formation is estimated at \$6.6 billion in 1960, some 4 per cent lower than in 1959. The decline was centred in residential construction. Expenditures on plant and equipment were close to the level of the previous year, with the construction component slightly lower and the machinery and equipment component unchanged.

The changes in business investment outlays (excluding housing) by major industry groups were for the most part fairly small. Expenditures were higher in the three primary industry groups of mining, forestry and agriculture. In manufacturing, outlays rose by 4 per cent and in institutional services, by over 7 per cent. Capital outlays declined in the construction industry, in trade, in finance, insurance and real estate, as well as in commercial services. However, the major decrease in 1960, amounting to nearly 5 per cent, occurred in the large investment programme being carried on by the utilities.

Within manufacturing industries, changes in capital outlays were mixed and to some extent offsetting. The manufacturing industries reporting substantially larger capital outlays in 1960 were iron and steel, paper products and chemical products. On the other hand, capital expenditures in transportation equipment and in non-metallic mineral products were considerably lower than in 1959.

Total Mortgage Loans Approved

(Dwelling units)

| | 1959 | 1960 | Per cent change |
|--------------------------------|---------|--------|--------------------|
| N.H.A. mortgage loans: | | | |
| Chartered banks | 14,844 | 89 | -99.4 |
| Life, trust, loan, etc. | 11,841 | 21,724 | 83.5 |
| C.M.H.C. loans | 34,241 | 15,932 | -53.5 |
| Sub-totals | 60,926 | 37,745 | -38.0 |
| Conventional mortgage loans: | | | |
| All lending institutions | 46,882 | 42,164 | -10.1 |
| Totals | 107,808 | 79,909 | -25.9 |

Most of the utilities carried out smaller capital programmes in 1960 than in 1959. Among the major utilities, much the largest reduction took place in outlays by the railway group. The outlays of electric power utilities were considerably lower than in 1959 and much below the extremely high levels reached in several previous years. Among the major utilities, expenditures by the telephone industry were considerably higher, as were those of "other utilities" (a miscellaneous group which includes air transport, warehousing, oil and gas pipelines and toll highways and bridges); this increase is attributable to higher expenditures on aircraft and on the construction of gas and oil pipelines.

Expenditures on residential construction in 1960 fell to \$1,476 million, a drop of 15 per cent from the level of 1959. While housing starts made a marked improvement in the second half of the year, at about 109,000 units for the year as a whole, they were almost 23 per cent lower than in 1959 and the lowest since 1953. The decline in starts mainly reflected the sharp contraction in direct lending by the chartered banks and by Central Mortgage and Housing Corporation, offset to some extent by the expansion in lending activity by the life, loan and trust companies under the National Housing Act. (The chartered banks had virtually withdrawn from the mortgage market). Basic demand for housing may also have been affected by lower levels of family formation in recent years. With a substantial carry-

over of uncompleted houses at the beginning of the year, completions in 1960 fell only 15 per cent.

The improvement in housing starts in the course of 1960 is attributable to a number of factors. During the course of the year Central Mortgage and Housing Corporation began to accept applications for loans and steps were taken to remove or relax restrictions on direct lending. Moreover, as credit conditions eased, mortgage lending became more attractive to approved lenders and, as mentioned earlier, the life, loan and trust companies began to lend in volume.

Total Non-Farm Business Inventories

The build-up of goods in inventory in 1960 continued at a rate very little changed from the previous year, in comparison with the large-scale swings in the rates of change which occurred between 1957-58 and 1958-59. However, this annual comparison conceals the important impact which shorter run changes in business inventories had on production during 1960. As the rate of overall economic activity weakened early in the year, the pronounced rate of inventory accumulation evident in the first quarter fell sharply in the second quarter, and by the third quarter of 1960 some liquidation of stocks was taking place. During the final three months of the year, however, developments in the inventory sector were once more placing new demands on production, and a limited build-up of stocks occurred.

| | 1957 | 1958 | 1959 | Quarters (Seasonally adjusted and annual rates) | | | | 1960 |
|---------------------|------------|-------------|------------|--|------------|-------------|------------|------------|
| | | | | (1) | (2) | (3) | (4) | |
| | | | | millions of dollars | | | | |
| Manufacturing | 140 | -146 | 118 | 304 | 216 | -188 | - 68 | 66 |
| Wholesale | 71 | - 53 | 85 | 88 | 36 | -100 | 36 | 15 |
| Retail | 27 | 10 | 125 | 248 | 112 | 220 | 116 | 174 |
| Other | 67 | - 18 | 23 | 8 | - 28 | -108 | 24 | - 26 |
| Totals | 305 | -207 | 351 | 648 | 336 | -176 | 108 | 229 |

Manufacturers' Stocks

The data suggest that some of the fairly heavy build-up of stocks in manufacturers' hands in the first half of the year was involuntary, occurring against a background of falling shipments and a rapidly contracting backlog of unfilled orders. Although stocks at all levels of fabrication increased, the accumulation was most marked in finished goods, suggesting that cut-backs in production were not sufficient to offset falling demand. The accumulation in the first two quarters of the year was widespread, although in the second quarter it was tempered by a substantial drawing down of stocks in the tobacco and paper industries.

The second half of the year was marked by a general lowering in the level of manufacturers' stocks. As shipments began to rise there was a

working down of the level of raw materials and goods in process. Stocks of finished goods, after eight months of uninterrupted increase, finally levelled off and in the last two months of the year contracted; in spite of this, in certain durable goods industries the ratio of finished goods to shipments remained at a high level in comparison with past periods.

In contrast to the slow-down in the rate of liquidation in overall manufacturing, the rate of liquidation in durable goods increased between the third and fourth quarters. The primary cause of this was the heavy drawing down of stocks in the iron and steel industry, supported by continued liquidation in both the transportation and electrical equipment industries. The impact of these depletions was to some extent offset by an increased rate of accumulation in non-ferrous metal products.

Inventory movements of non-durables exerted a moderating influence on the pace of liquidation of total manufacturers' stocks, as an irregularly high build-up of stocks in the tobacco industry and some additions to food and beverage stocks took place. The increase in the tobacco industry appears to be due to an earlier than normal processing of the unusually large crop in 1960.

Traders' Stocks

The build-up in retailers' stocks which has now been under way since the early part of 1958, continued at an increased rate in 1960, although the rate of increase slackened noticeably in the second and fourth quarters. The dominating features of the year were: (1) the steady increase of stocks in motor vehicle dealers' hands until the fourth quarter, at which time a marked increase in sales caused a small drop in the level of stocks; (2) the accumulation of food stocks, which was heavy in the first and last quarters; and (3) the "swing" in clothing stocks, which increased in the first and third quarters, and were drawn down heavily in the second and fourth. The broad movements in retail stocks in 1960 conform closely to the overall pattern of changes in consumer spending. Consumer spending fell slightly in the first quarter and increased only fractionally in the third quarter, at which time retail stocks rose sharply; in the second and fourth quarters, when consumer spending advanced strongly, retail stocks rose at a more modest rate.

Stocks in the hands of wholesalers, after increasing in the first two quarters, fell in the third quarter in line with the general lowering which took place in manufacturers' stocks. The liquidation was widespread and in a number of trades continued into the fourth quarter; however, it was offset in part in the fourth quarter by the sharp increases in

stocks of industrial machinery and equipment, and hardware and other furnishings, both of which may have reflected the upturn in fixed investment in machinery and equipment and the improved outlook for building, particularly residential construction.

Exports and Imports of Goods and Services

The dominant feature of the international trading environment in 1960 was the vigorous expansion in the economies of a number of industrialized overseas countries and the hesitant behaviour of the North American economy. In this situation, Canadian exports of goods and services rose to \$7.0 billion, a gain of 4.2 per cent over 1959, with the bulk of the increase accounted for by the merchandise items. At the same time, the demand for imports was on a declining trend throughout most of the year and for 1960 as a whole merchandise imports showed little change from 1959. The outflow of payments on service account, however, continued to rise, but more moderately than in earlier years. The consequence of these trends was a contraction in the deficit on Canada's current account (on the National Accounts basis), from about \$1.4 billion in 1959 to \$1.2 billion in 1960.

The strong demand for Canadian export products originating in the countries of Western Europe, the United Kingdom, and in some other overseas countries, notably Japan and Australia, raised exports to overseas destinations by 20 per cent. This increased strength of demand became evident in the latter part of 1959 and persisted throughout 1960. By contrast, exports to the United States were about 5 per cent lower for the year as a whole, and showed a declining trend within the year. The abrupt change in the direction of export trade within a rising total in the year 1960 is apparent in the accompanying table.

Domestic Exports

| Leading commodities | Per cent change | | | | |
|--|--------------------|--------------------|--------------------|--------------------|------------------------|
| | 1Q 1960 1Q 1959 | 2Q 1960 2Q 1959 | 3Q 1960 3Q 1959 | 4Q 1960 4Q 1959 | Year 1960 Year 1959 |
| Newsprint paper | 16.9 | - 1.1 | 5.0 | 2.3 | 4.9 |
| Wheat | - 0.9 | -30.6 | 3.6 | 4.2 | - 7.1 |
| Lumber and timber | 18.3 | - 4.5 | 12.4 | 5.7 | 7.0 |
| Wood pulp | 9.8 | 1.3 | 2.3 | 4.9 | 4.5 |
| Uranium ore | 7.0 | -21.7 | -19.8 | -26.0 | - 15.5 |
| Aluminum and products | 75.6 | 9.0 | - 2.6 | 3.0 | 15.9 |
| Nickel | 88.1 | - 4.0 | 12.9 | -11.1 | 13.9 |
| Copper and products | 134.5 | 20.4 | 42.5 | - 5.8 | 34.8 |
| Fish and fishery products | - 13.8 | - 6.0 | 2.1 | -10.2 | - 6.6 |
| Farm machinery and implements | - 16.2 | -29.8 | -16.7 | -41.8 | - 25.5 |
| Total domestic exports | 22.9 | - 2.9 | 7.5 | - 3.3 | 4.9 |
| Leading countries | | | | | |
| United States | 18.3 | -10.1 | - 4.7 | -16.7 | - 4.8 |
| United Kingdom | 29.3 | 13.6 | 19.4 | 7.4 | 16.5 |
| European common market countries | 36.8 | 19.7 | 50.5 | 44.8 | 38.9 |
| Japan | 61.0 | 2.6 | 26.7 | 26.2 | 27.4 |
| Other | 22.7 | 1.5 | 25.4 | 12.7 | 14.8 |
| Total domestic exports | 22.9 | - 2.9 | 7.5 | - 3.3 | 4.9 |

The largest part of the increased demand was for major export staples of primary and semi-processed materials, but there were also gains in some manufactured goods, particularly in the United Kingdom where restrictions on many imports had been removed. Some of the largest gains occurred in such metals as aluminum, copper, nickel, zinc, primary steel and rolling mill products, and in asbestos and petroleum. Other leading exports such as pulp and paper, lumber, and chemicals also rose, but iron ore showed little change. Textiles and non-farm machinery are among the manufactured goods making impressive gains. By contrast, agricultural exports dropped, including wheat, other grains and flour, and cattle and dairy products. Shipments of fish, farm implements and uranium were also lower. The change in the commodity composition of exports is shown in the accompanying table.

While total receipts from services rose moderately in 1960, the individual items in the invisible account showed mixed movements. Receipts from tourist trade rose considerably and there was some increase in gold available for export. However, receipts from freight and shipping were somewhat lower, as were receipts from interest and dividends. The decline in the latter largely reflects lower dividends from foreign subsidiaries of certain Canadian manufacturing companies.

With no expansion in outlays for new plant and equipment in 1960, and a drop in the rate of investment in business inventories, commodity imports eased a little, declining by about one half of one per cent. The relative stability in the total was accompanied by stability in most of the major groups. Increases were generally small and confined to comparatively few items, some of which were affected by special circumstances. Among the increases were such varied items as vegetables, cotton and textiles, iron ore, crude petroleum, automobiles and aircraft. Reductions were more numerous and often small, although the drop in petroleum products, tractors, and agricultural implements was comparatively large. Imports of other kinds of equipment remained high.

Payments for services continued to rise in 1960 and were about 2 per cent higher than in the previous year. Virtually all the increase was in two items of the account, tourist expenditures, and miscellaneous services. Payments of interest and dividends in total remained about the same. The large net sales of provincial, municipal and corporation bonds in 1959 and the first half of 1960 raised significantly the level of interest payments. On the other hand, dividend payments declined. This decline, which was concentrated in the closing quarter of the year, reflected smaller remittances by a number of large Canadian companies to their non-resident parents.

The terms of trade deteriorated a little in 1960, as export prices were only fractionally higher and import prices rose about 1½ per cent.

The Government Sector

Government expenditure on goods and services in 1960 is estimated at \$6.7 billion, 5 per cent higher than in 1959. All of this increase in outlays is attributable to the junior governments; Federal Government expenditures were moderately lower. The major part of the 13 per cent advance in provincial government expenditures represented higher outlays on highways, although a variety of other provincial activities in the fields of public works, development, health and education also contributed. Municipal outlays likewise showed a substantial gain, estimated at 10 per cent, and attributable to increased wages and salaries and higher capital outlays.

While Federal defence expenditures were almost unchanged, outlays for other purposes were substantially lower. This decrease reflects, among other things, a lower level of capital investment, a liquidation of stocks held by the Agricultural Stabilization Board and lower out-payments from the Colombo Plan Fund.

Transfer payments from governments to persons in 1960 were higher than in 1959 by 13 per cent. A large part of the 11 per cent advance in Federal transfer payments was accounted for by higher unemployment insurance payments (+\$75 million), reflecting not only an increase in unemployment levels, but also amendments to the Unemployment Insurance Act, introduced in the course of 1959, which extended the duration of benefits and increased rates of benefit for some classes of insured persons. There was also a considerable increase in payments to Western grain producers (+\$38 million) and to universities (+\$29 million). Old age security payments and family allowances continued to rise by amounts of about \$15 million each.

At the provincial level, transfer payments also showed a sharp advance in 1960, amounting to 18 per cent over the previous year. Among the contributing factors here were higher payments for direct relief, increases in payments to disabled persons and old age and blind pensioners, and higher grants to hospitals, universities and charitable organizations.

These changes on the expenditure side of the government accounts, together with higher interest payments on the public debt and increased subsidies, brought about an increase in total net government outlays of about 8 per cent. At the same time, government revenues rose by 5 per cent reflecting increases in personal direct taxes (associated with higher rates effective for the whole year), and increases in indirect taxes from higher excise taxes at the Federal level and from increased real property taxes at the municipal level. Investment income and employer and employee contributions to social insurance and government pension funds also increased substantially. However, a substantial drop occurred in corporation taxes and there was a small decline in custom import duties. With total govern-

Government Expenditure and Revenue

| | 1959 | 1960 | Per cent change |
|---------------------------------------|---------------------|-------------|-----------------|
| | billions of dollars | | |
| Government expenditure: | | | |
| Goods and services | 6.4 | 6.7 | 4.7 |
| Transfer payments to persons | 2.8 | 3.1 | 13.0 |
| Interest on public debt | 0.9 | 1.0 | 11.1 |
| Subsidies | 0.2 | 0.2 | 18.2 |
| Totals¹ | 10.3 | 11.1 | 7.7 |
| Government revenue: | | | |
| Direct taxes – Persons | 2.1 | 2.4 | 13.2 |
| Direct taxes – Corporations | 1.5 | 1.4 | - 6.0 |
| Withholding taxes | 0.1 | 0.1 | 6.9 |
| Indirect taxes | 4.4 | 4.6 | 4.1 |
| Investment income | 1.0 | 1.1 | 6.7 |
| Employer–employee contributions | 0.6 | 0.7 | 13.9 |
| Totals¹ | 9.8 | 10.3 | 5.4 |
| Deficit | 0.5 | 0.8 | 50.9 |

¹ Excludes inter-governmental transfers.

Note: Figures will not add by +.1 or -.1 due to rounding. Percentage changes are based on unrounded data.

ment revenues higher by 5 per cent, and expenditures higher by 8 per cent, the overall deficit on government transactions (on the National Accounts basis) widened to \$0.8 billion. In the final quarter of the

year, it is estimated that the deficit for all governments combined was running at a seasonally adjusted annual rate in excess of \$1.0 billion.

COMPONENTS OF GROSS NATIONAL PRODUCT

Labour Income

Labour income continued to rise in 1960, but at a significantly lower rate than in the preceding year. The gain of 4 per cent contrasts with one of almost 8 per cent in 1959. Associated with this advance in income in 1960 was a nearly 2½ per cent increase in the number of employed paid workers and higher average hourly earnings in many industries.

Most of the major industries shared in the advance in total labour income in 1960. The important exceptions are construction, mining and transportation where income was either unchanged or slightly lower; in all these industries the level of employment declined significantly in 1960.

The largest gain in labour income (13 per cent) was recorded in forestry, but about two-thirds of this is attributable to the sharp temporary drop in income in 1959 during the industrial dispute in the woods industry in British Columbia. As in the recent past, the gains in the service industries were relatively large; the increase in services other than government was 10 per cent and in government service 7 per cent. In public utilities, communications, trade and financial services the advances in labour income ranged from about 3½ to about 5½ per

cent. In general, these gains continue to be associated with increased employment in these industries.

Despite a small decline in employment in manufacturing and some reduction in hours of work of hourly rated employees, labour income in manufacturing in 1960 was up from 1959 by about 2 per cent, as average hourly earnings continued to rise. Most of the loss of employment was concentrated in the durable goods group where earnings on the average are substantially higher than in the non-durable goods group. Thus the distribution of manufacturing employment in 1960 compared with 1959 was among the factors dampening down the rise in income.

Corporate Profits and Other Investment Income

Reflecting the partially offsetting influences present in the economy in 1960, corporate profits fell by about 6 per cent, following a considerable advance in the more expansionary climate of the previous year.

A lower level of profits was a fairly common experience among industries. However, there was a substantial increase in profits in mining, quarrying and oil wells and in financial services as well as a significant gain in public utilities.

Most of the individual manufacturing industries shared in the unfavourable profits experience of the group as a whole, with total manufacturing profits down by about 11 per cent. Among the major manufacturing industries, the sharpest decline took place in iron and steel, where profits were off about 24 per cent; this decline was associated with reduced output in the industry. The deterioration in profits was also relatively large in such other durable goods industries as wood products, electrical apparatus and supplies and non-metallic mineral products. On the other hand, profits were moderately higher in paper products and in products of petroleum and coal where production likewise rose between the two years.

In spite of a significant increase in the volume of trade, profits were substantially lower in both wholesale and retail trade, apparently associated with higher costs and the easing in some prices. A small decline in profits in the transportation, communication and storage group was in part the result of the smaller volume of traffic handled by the railways.

Rent, interest and miscellaneous investment income rose by close to 4 per cent in 1960. Net residential rents (paid and imputed) are estimated to have fallen; the rise in unit rents and the growth in the stock of dwellings were more than offset by higher operating expenses. In spite of a larger deficit on the operations of the Canadian National Railways, and a small deficit on the operations of

Trans-Canada Airlines, the first in many years, profits of government business enterprises rose by 7 per cent in 1960.

Net Income of Unincorporated Business

Accrued net income of farm operators from farming operations in 1960 is estimated at \$1.2 billion, about 6½ per cent higher than in the preceding year. While cash income was slightly lower, the increase in the value of farm inventories at year-end raised gross income. Farm operating expenses and depreciation continued to rise but not enough to offset the advance in gross income.

According to the preliminary estimate, the crop of grain in 1960 was about 11 per cent larger than in the previous year. Most of this increase is reflected in inventories rather than in sales.

Livestock production showed a small decline in 1960. Increased cash income from the sale of cattle and calves partly offset the reduced income from the sale of hogs. Higher inventories at year-end reflect the further build-up of the cattle population, which more than compensated for reduced hog numbers.

Estimated at \$2.1 billion, income of non-farm unincorporated business was lower than in 1959 by 5 per cent. Income in construction and retail trade dropped sharply, but there was some offsetting increase in income in the service industries.

Accrued Net Income of Farm Operators

| | 1959 | 1960 | Change 1960 1959 | Per cent change 1960 1959 |
|--|---------------------|--------------|------------------------|------------------------------------|
| | millions of dollars | | | |
| Farm cash income | 2,789 | 2,780 | - 9 | -0.3 |
| Income in kind | 344 | 348 | 4 | 1.2 |
| Farm inventory change | -65 | 17 | 82 | |
| Gross income | 3,068 | 3,145 | 77 | 2.5 |
| Deduct: | | | | |
| Farm operating expenses | 1,588 | 1,595 | 7 | 0.4 |
| Depreciation | 292 | 298 | 6 | 2.1 |
| Add: | | | | |
| Adjustment on grain transactions | - 4 | 6 | 10 | |
| Other adjustments | -52 | -51 | 1 | |
| Accrued net income of farm operators | 1,132 | 1,207 | 75 | 6.6 |

National Saving and Investment

Following a fairly substantial increase in 1959, gross national saving declined moderately in 1960. Estimated at \$5.8 billion, it was more than 2 per cent lower than in the preceding year, and repre-

sented 16 per cent of Gross National Product, as compared with 17 per cent in 1959. The drop in national saving reflects the larger government deficit, referred to earlier; a moderate decline in personal saving offset a small increase in business saving.

| | 1959 | 1960 | Change 1959 to 1960 |
|---|---------------------|------|------------------------|
| | billions of dollars | | |
| Personal saving..... | 1.8 | 1.7 | -0.1 |
| Business saving..... | 5.1 | 5.1 | - |
| Government deficit..... | -0.5 | -0.8 | -0.3 |
| Inventory valuation adjustment..... | -0.1 | -0.1 | 0.1 |
| Residual error of estimate..... | -0.2 | -0.1 | 0.1 |
| Gross National Saving..... | 6.0 | 5.8 | -0.1 |
| Business gross fixed capital formation..... | 6.9 | 6.6 | -0.3 |
| Change in inventories..... | 0.3 | 0.3 | - |
| Net foreign investment..... | -1.4 | -1.2 | 0.2 |
| Residual error of estimate..... | 0.2 | 0.1 | -0.1 |
| Gross National Investment..... | 6.0 | 5.8 | -0.1 |

Note: Figures will not add by +0.1 or -0.1 due to rounding.

The programme of fixed investment in plant and equipment and housing was somewhat lower in 1960 and the rate of investment in inventories largely unchanged. As in previous years, part of the total

investment programme was financed by resources from abroad, to the extent of \$1.2 billion, compared with \$1.4 billion in 1959.

Percentage Distribution of Gross Domestic Product at Factor Cost, by Industry, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|--------------|--------------|--------------|--------------|--------------|--------------|
| 1 | Agriculture | 7.3 | 7.3 | 5.5 | 5.9 | 5.3 | 5.5 |
| 2 | Forestry | 1.8 | 1.7 | 1.5 | 1.1 | 1.2 | 1.2 |
| 3 | Fishing and trapping | 0.3 | 0.4 | 0.3 | 0.4 | 0.3 | 0.3 |
| 4 | Mining, quarrying, and oil wells | 4.4 | 4.4 | 4.3 | 3.9 | 4.2 | 4.1 |
| 5 | Manufacturing | 28.0 | 27.9 | 27.8 | 26.4 | 26.5 | 26.1 |
| 6 | Construction | 5.7 | 6.4 | 6.8 | 6.9 | 6.9 | 6.5 |
| 7 | Transportation | 7.1 | 7.3 | 7.1 | 6.6 | 6.6 | 6.4 |
| 8 | Storage | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 | 0.3 |
| 9 | Communication | 1.9 | 2.0 | 2.0 | 2.1 | 2.0 | 2.1 |
| 10 | Electric power, gas, and water utilities | 2.7 | 2.8 | 3.1 | 3.2 | 3.2 | 3.3 |
| 11 | Wholesale trade | 4.4 | 4.6 | 4.8 | 4.7 | 4.8 | 4.7 |
| 12 | Retail trade | 9.2 | 9.0 | 9.0 | 9.4 | 9.3 | 9.0 |
| 13 | Finance, insurance, and real estate | 9.4 | 8.6 | 9.3 | 9.9 | 9.9 | 10.3 |
| 14 | Public administration and defence | 6.5 | 6.4 | 6.8 | 7.2 | 7.2 | 7.4 |
| 15 | Service | 11.0 | 10.9 | 11.4 | 12.0 | 12.3 | 12.8 |
| 16 | Totals | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Percentage Distribution of Personal Income by Source, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|--------------|--------------|--------------|--------------|--------------|--------------|
| 1 | Wages, salaries, and supplementary labour income | 64.6 | 65.6 | 66.5 | 64.4 | 65.0 | 64.8 |
| 2 | Military pay and allowances | 2.0 | 2.0 | 2.1 | 2.0 | 1.9 | 1.8 |
| 3 | Net income received by farm operators from farm production | 6.1 | 6.5 | 4.4 | 4.8 | 4.3 | 4.4 |
| 4 | Net income of non-farm unincorporated business | 9.1 | 9.0 | 8.7 | 8.6 | 8.4 | 7.7 |
| 5 | Interest, dividends, and net rental income of persons | 9.3 | 8.7 | 9.2 | 9.3 | 9.7 | 9.8 |
| 6 | Transfer payments (excluding interest) | 8.9 | 8.2 | 9.1 | 10.9 | 10.7 | 11.5 |
| 7 | Totals | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 |

Selected Per Person Income and Product Series in Current and Constant Dollars, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|-------|-------|-------|-------|-------|-------|
| | Current dollars | | | | | | |
| 1 | Gross National Product | 1,728 | 1,902 | 1,924 | 1,928 | 1,998 | 2,019 |
| 2 | Personal Income | 1,257 | 1,361 | 1,398 | 1,449 | 1,509 | 1,540 |
| 3 | Personal Disposable Income | 1,162 | 1,253 | 1,282 | 1,344 | 1,390 | 1,408 |
| 4 | Personal Expenditure on Consumer Goods and Services | 1,108 | 1,171 | 1,210 | 1,246 | 1,289 | 1,314 |
| | Constant (1949) dollars | | | | | | |
| 5 | Gross National Product | 1,396 | 1,481 | 1,437 | 1,414 | 1,426 | 1,425 |
| 6 | Personal Expenditure on Consumer Goods and Services | 934 | 970 | 968 | 972 | 991 | 998 |



SECTION A

INCOME AND EXPENDITURE ACCOUNTS

1. Summary Tables

TABLE 1. National Income and Gross National Product, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Wages, salaries, and supplementary labour income | 13,223 | 14,890 | 16,018 | 16,524 | 17,761 | 18,514 |
| 2 | Military pay and allowances | 394 | 424 | 476 | 491 | 496 | 509 |
| 3 | Corporation profits before taxes ¹ | 2,570 | 2,908 | 2,581 | 2,518 | 2,907 | 2,735 |
| 4 | Rent, interest, and miscellaneous investment income | 1,684 | 1,767 | 1,980 | 2,124 | 2,277 | 2,362 |
| 5 | Accrued net income of farm operators from farm production ² | 1,264 | 1,450 | 1,026 | 1,197 | 1,132 | 1,207 |
| 6 | Net income of non-farm unincorporated business ³ | 1,791 | 1,965 | 2,008 | 2,125 | 2,218 | 2,105 |
| 7 | Inventory valuation adjustment ⁴ | -189 | -238 | -78 | -35 | -115 | -57 |
| 8 | Net National Income at factor cost | 20,737 | 23,166 | 24,011 | 24,944 | 26,676 | 27,375 |
| 9 | Indirect taxes less subsidies | 3,237 | 3,636 | 3,861 | 3,889 | 4,244 | 4,389 |
| 10 | Capital consumption allowances and miscellaneous valuation adjustments | 3,266 | 3,642 | 4,009 | 3,930 | 4,143 | 4,291 |
| 11 | Residual error of estimate | -108 | 141 | 28 | 104 | -206 | -96 |
| 12 | Gross National Product at market prices | 27,132 | 30,585 | 31,909 | 32,867 | 34,857 | 35,959 |

¹ Excludes dividends paid to non-residents.

² Includes changes in farm inventories in millions of dollars as follows:

| | | | |
|------|------|------|-----|
| 1955 | 198 | 1958 | -93 |
| 1956 | 241 | 1959 | -65 |
| 1957 | -125 | 1960 | 17 |

An adjustment has been made to take account of the accrued earnings of farm operators arising out of the operations of the Canadian Wheat Board. (See footnote 5, Table 52).

³ Includes net income of independent professional practitioners.

⁴ See footnote 5, Table 2.

TABLE 2. Gross National Expenditure, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Personal expenditure on consumer goods and services | 17,389 | 18,833 | 20,072 | 21,240 | 22,482 | 23,409 |
| 2 | Government expenditure on goods and services ¹ | 4,792 | 5,386 | 5,722 | 6,173 | 6,416 | 6,716 |
| 3 | <i>Current expenditure</i> ² | 3,758 | 4,126 | 4,340 | 4,784 | 4,893 | 5,128 |
| 4 | <i>Gross fixed capital formation</i> ³ | 1,034 | 1,260 | 1,382 | 1,389 | 1,523 | 1,588 |
| 5 | Business gross fixed capital formation ⁴ | 5,210 | 6,774 | 7,335 | 6,975 | 6,894 | 6,612 |
| 6 | <i>New residential construction</i> | 1,378 | 1,526 | 1,409 | 1,763 | 1,734 | 1,476 |
| 7 | <i>New non-residential construction</i> | 1,848 | 2,589 | 3,103 | 2,811 | 2,589 | 2,567 |
| 8 | <i>New machinery and equipment</i> | 1,984 | 2,659 | 2,823 | 2,401 | 2,571 | 2,569 |
| 9 | Value of physical change in inventories ⁵ | 311 | 1,084 | 231 | -333 | 297 | 316 |
| 10 | <i>Non-farm business inventories</i> | 133 | 808 | 305 | -207 | 351 | 229 |
| 11 | <i>Farm inventories and grain in commercial channels</i> | 178 | 276 | -74 | -126 | -54 | 87 |
| 12 | Exports of goods and services ⁶ | 5,764 | 6,365 | 6,391 | 6,340 | 6,676 | 6,957 |
| 13 | Deduct: Imports of goods and services | -6,443 | -7,715 | -7,813 | -7,423 | -8,115 | -8,148 |
| 14 | Residual error of estimate | 109 | -142 | -29 | -105 | 207 | 97 |
| 15 | Gross National Expenditure at market prices | 27,132 | 30,585 | 31,909 | 32,867 | 34,857 | 35,959 |

¹ Includes defence expenditure which is shown in footnote 2, Table 37.

² Also includes net purchases of government commodity agencies and the defence production revolving fund. Excludes shipments of previously produced military equipment to NATO countries but includes replacements of new equipment.

³ Includes outlay on new durable assets such as building and highway construction by governments, other than government business enterprises (for detail see footnote 1, Table 43, and lines 2, 3 and 4, Table 54).

⁴ Includes capital expenditures by private and government business enterprises, private non-commercial institutions, and outlays on new residential construction by individuals and business investors. Total "Private and Public Investment in Canada" can be obtained by adding lines 4 and 5.

⁵ The book value of inventories is deflated to remove the effect of price changes and the derived "physical" change is then valued at average prices of the current period to obtain the value of physical change. The difference between this value of physical change and the change in book value is called the inventory valuation adjustment (see line 7, Table 1).

⁶ Excludes shipments of military equipment to NATO countries under the Defence Appropriation Act. See also Table 55.

TABLE 3. Relation between Net National Income at Factor Cost, Personal Income, Personal Disposable Income, and Personal Net Saving, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------|---------|---------|---------|---------|
| | | millions of dollars | | | | | |
| 1 | Net National Income at factor cost | 20,737 | 23,166 | 24,011 | 24,944 | 26,676 | 27,375 |
| 2 | Add: Transfer payments (excluding interest on the public debt and charitable contributions from corporations) ¹ | 1,737 | 1,766 | 2,076 | 2,653 | 2,758 | 3,116 |
| 3 | Add: Interest on the public debt ¹ | 669 | 714 | 739 | 781 | 944 | 1,049 |
| 4 | Deduct: Earnings not paid out to persons ² | - 3,405 | - 3,761 | - 3,635 | - 3,676 | - 4,059 | - 4,098 |
| 5 | Equals: Personal income | 19,738 | 21,885 | 23,191 | 24,702 | 26,319 | 27,442 |
| 6 | Deduct: Personal direct taxes | - 1,499 | - 1,732 | - 1,917 | - 1,788 | - 2,083 | - 2,358 |
| 7 | Equals: Personal disposable income | 18,239 | 20,153 | 21,274 | 22,914 | 24,236 | 25,084 |
| 8 | Deduct: Personal expenditure on consumer goods and services | -17,389 | -18,833 | -20,072 | -21,240 | -22,482 | -23,409 |
| 9 | Equals: Personal net saving | 850 | 1,320 | 1,202 | 1,674 | 1,754 | 1,675 |
| 10 | Value of physical change in farm inventories | 198 | 241 | - 125 | - 93 | - 65 | 17 |
| 11 | Personal saving excluding change in farm inventories | 652 | 1,079 | 1,327 | 1,767 | 1,819 | 1,658 |

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, inventory valuation adjustment, and employer and employee contributions social insurance and government pension funds.

TABLE 4. Relation between Gross National Product at Market Prices and Gross Domestic Product at Factor Cost, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------|---------|---------|---------|---------|
| | | millions of dollars | | | | | |
| 1 | Gross National Product at market prices | 27,132 | 30,585 | 31,909 | 32,867 | 34,857 | 35,959 |
| 2 | Deduct: Residual error of estimate | 108 | - 141 | - 28 | - 104 | 206 | 96 |
| 3 | Indirect taxes less subsidies | - 3,237 | - 3,636 | - 3,861 | - 3,889 | - 4,244 | - 4,389 |
| 4 | Income received from non-residents | - 160 | - 142 | - 154 | - 168 | - 183 | - 175 |
| 5 | Add: Income paid to non-residents | 483 | 523 | 589 | 612 | 657 | 655 |
| 6 | Gross domestic product at factor cost | 24,326 | 27,189 | 28,455 | 29,318 | 31,293 | 32,146 |

TABLE 5. Gross National Expenditure in Constant (1949) Dollars, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Personal expenditure on consumer goods and services | 14,662 | 15,603 | 16,058 | 16,568 | 17,281 | 17,774 |
| 2 | Government expenditure on goods and services | 3,563 | 3,794 | 3,817 | 3,983 | 4,005 | 4,043 |
| 3 | <i>Current expenditure</i> | 2,767 | 2,869 | 2,850 | 3,027 | 2,985 | 3,002 |
| 4 | <i>Gross fixed capital formation</i> | 796 | 925 | 967 | 956 | 1,020 | 1,041 |
| 5 | Business gross fixed capital formation | 3,962 | 4,891 | 5,084 | 4,734 | 4,567 | 4,286 |
| 6 | <i>New residential construction</i> | 1,040 | 1,110 | 997 | 1,218 | 1,156 | 959 |
| 7 | <i>New non-residential construction</i> | 1,365 | 1,816 | 2,107 | 1,877 | 1,687 | 1,634 |
| 8 | <i>New machinery and equipment</i> | 1,557 | 1,965 | 1,980 | 1,639 | 1,724 | 1,693 |
| 9 | Change in inventories | 419 | 955 | 147 | - 305 | 183 | 297 |
| 10 | <i>Non-farm business inventories</i> | 134 | 648 | 257 | - 143 | 273 | 185 |
| 11 | <i>Farm inventories and grain in commercial channels</i> | 285 | 307 | - 110 | - 162 | - 90 | 112 |
| 12 | Exports of goods and services | 4,969 | 5,340 | 5,353 | 5,447 | 5,563 | 5,712 |
| 13 | Deduct: Imports of goods and services | -5,742 | -6,662 | -6,604 | -6,248 | -6,883 | -6,801 |
| 14 | Residual error of estimate | 87 | - 110 | - 22 | - 77 | 148 | 68 |
| 15 | Gross National Expenditure in constant (1949) dollars | 21,920 | 23,811 | 23,833 | 24,102 | 24,864 | 25,379 |
| 16 | Index, line 15, 1949 = 100 | 134.1 | 145.7 | 145.8 | 147.5 | 152.1 | 155.3 |

TABLE 6. Implicit Price Indexes - Gross National Expenditure, 1955 - 60¹

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|--------------|--------------|--------------|--------------|--------------|--------------|
| 1 | Personal expenditure on consumer goods and services | 118.6 | 120.7 | 125.0 | 128.2 | 130.1 | 131.7 |
| 2 | Government expenditure on goods and services | 134.5 | 142.0 | 149.9 | 155.0 | 160.2 | 166.1 |
| 3 | <i>Current expenditure</i> | 135.8 | 143.8 | 152.2 | 158.0 | 163.9 | 170.8 |
| 4 | <i>Gross fixed capital formation</i> | 129.9 | 136.2 | 142.9 | 145.3 | 149.3 | 152.5 |
| 5 | Business gross fixed capital formation | 131.5 | 138.5 | 144.3 | 147.3 | 151.0 | 154.3 |
| 6 | <i>New residential construction</i> | 132.5 | 137.5 | 141.3 | 144.7 | 150.0 | 153.9 |
| 7 | <i>New non-residential construction</i> | 135.4 | 142.6 | 147.3 | 149.8 | 153.5 | 157.1 |
| 8 | <i>New machinery and equipment</i> | 127.4 | 135.3 | 142.6 | 146.5 | 149.1 | 151.7 |
| 9 | Exports of goods and services | 116.0 | 119.2 | 119.4 | 116.4 | 120.0 | 121.8 |
| 10 | Imports of goods and services | 112.2 | 115.8 | 118.3 | 118.8 | 117.9 | 119.8 |
| 11 | Residual error of estimate | 124.7 | 129.1 | 133.7 | 136.0 | 140.0 | 142.1 |
| 12 | Gross National Expenditure at market prices | 123.8 | 128.4 | 133.9 | 136.4 | 140.2 | 141.7 |

¹ These implicit indexes are currently weighted price indexes. They reflect not only pure price changes, but also changing expenditure patterns within and between major groups. The implicit price index for Gross National Expenditure is derived by dividing the total of current dollars by the total of constant dollars.

TABLE 7. Personal Income and Expenditure Account, 1955-60
Income

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Wages, salaries, and supplementary labour income: | | | | | | |
| | (a) From business (28 a) | 11,081 | 12,517 | 13,379 | 13,572 | 14,503 | 14,970 |
| | (b) From governments (19 bi) | 1,682 | 1,871 | 2,088 | 2,336 | 2,569 | 2,781 |
| | (c) From persons (9 b) | 460 | 502 | 551 | 616 | 689 | 763 |
| | (d) Deduct employer and employee contributions to social insurance and government pension funds (17) .. | -476 | -532 | -590 | -615 | -649 | -739 |
| 2 | Military pay and allowances (19 bli) | 394 | 424 | 476 | 491 | 496 | 509 |
| 3 | Net income received by farm operators from farm production ¹ (28 c) | 1,200 | 1,430 | 1,026 | 1,198 | 1,136 | 1,201 |
| 4 | Net income of non-farm unincorporated business (28 e) | 1,791 | 1,965 | 2,008 | 2,125 | 2,218 | 2,105 |
| 5 | Interest, dividends, and net rental income of persons ² (44 a) .. | 1,840 | 1,908 | 2,141 | 2,288 | 2,559 | 2,696 |
| 6 | Transfer payments (excluding interest): | | | | | | |
| | (a) From governments (20 b) | 1,737 | 1,766 | 2,076 | 2,653 | 2,758 | 3,116 |
| | (b) Charitable contributions from corporations (44 b) | 29 | 34 | 36 | 38 | 40 | 40 |
| 7 | Totals | 19,738 | 21,885 | 23,191 | 24,702 | 26,319 | 27,442 |

¹ This item differs from line 5 of Table 1 by excluding the adjustment which has been made to take account of the accrued net earnings arising out of the operations of the Canadian Wheat Board.

² Includes all government debt interest paid to persons.

TABLE 8. Personal Income and Expenditure Account, 1955-60
Expenditure

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 8 | Personal direct taxes: | | | | | | |
| | (a) Income taxes (12 a) | 1,297 | 1,496 | 1,693 | 1,554 | 1,744 | 1,977 |
| | (b) Succession duties (12 b) | 127 | 146 | 126 | 126 | 130 | 158 |
| | (c) Miscellaneous (12 c) | 75 | 90 | 98 | 108 | 209 | 223 |
| 9 | Purchases of goods and services: | | | | | | |
| | (a) From business (24 a) | 16,375 | 17,714 | 18,879 | 19,963 | 21,066 | 21,884 |
| | (b) Direct services (1 c) | 460 | 502 | 551 | 616 | 689 | 763 |
| | (c) Travel expenditure (34 a) | 449 | 498 | 525 | 542 | 598 | 632 |
| | (d) Other expenditures abroad (34 b) | 105 | 119 | 117 | 119 | 129 | 130 |
| 10 | Personal net saving ¹ (48) | 850 | 1,320 | 1,202 | 1,674 | 1,754 | 1,675 |
| 11 | Totals | 19,738 | 21,885 | 23,191 | 24,702 | 26,319 | 27,442 |

¹ This series includes changes in farm inventories, see Table 3.

TABLE 9. Government Revenue and Expenditure Account, 1955 - 60¹
Revenue

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|---------------|
| | | millions of dollars | | | | | |
| 12 | Direct taxes— Persons: | | | | | | |
| | (a) Income taxes (8 a) | 1,297 | 1,496 | 1,693 | 1,554 | 1,744 | 1,977 |
| | (b) Succession duties (8 b) | 127 | 146 | 126 | 126 | 130 | 158 |
| | (c) Miscellaneous (8 c) | 75 | 90 | 98 | 108 | 209 | 223 |
| 13 | Direct taxes— Corporations: | | | | | | |
| | (a) Income tax collections (44 c) | 1,109 | 1,373 | 1,550 | 1,336 | 1,440 | 1,672 |
| | (b) Excess of income tax liabilities over income tax collections (44 d) | 163 | 40 | -213 | -36 | 101 | -223 |
| 14 | Withholding taxes (44 e) | 67 | 69 | 83 | 48 | 72 | 77 |
| 15 | Indirect taxes (29 a) | 3,319 | 3,759 | 3,977 | 4,028 | 4,442 | 4,623 |
| 16 | Investment income: | | | | | | |
| | (a) Interest (44 f) | 238 | 258 | 293 | 363 | 412 | 438 |
| | (b) Profits of government business enterprises (44 g) | 515 | 576 | 556 | 574 | 581 | 622 |
| 17 | Employer and employee contributions to social insurance and government pension funds (1 d) | 476 | 532 | 590 | 615 | 649 | 739 |
| 18 | Totals² | 7,386 | 8,339 | 8,753 | 8,716 | 9,780 | 10,306 |

¹ See also Table 36.

² Inter-governmental transfers are not included in this total, since in the consolidation of the government sector such transactions cancel out. For details of inter-governmental transfers, see Table 46.

TABLE 10. Government Revenue and Expenditure Account, 1955 - 60¹
Expenditure

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|---------------|
| | | millions of dollars | | | | | |
| 19 | Purchase of goods and services: ² | | | | | | |
| | (a) From business (24 b) | 2,716 | 3,091 | 3,158 | 3,346 | 3,351 | 3,426 |
| | (b) Direct services: | | | | | | |
| | (i) Wages and salaries (1 b) | 1,682 | 1,871 | 2,038 | 2,336 | 2,569 | 2,781 |
| | (ii) Military pay and allowances (2) | 394 | 424 | 476 | 491 | 496 | 509 |
| 20 | Transfer payments: | | | | | | |
| | (a) Interest (45) | 669 | 714 | 739 | 781 | 944 | 1,049 |
| | (b) Other (6 a) | 1,737 | 1,766 | 2,076 | 2,653 | 2,758 | 3,116 |
| 21 | Subsidies (29 b) | 82 | 123 | 116 | 139 | 198 | 234 |
| 22 | Surplus (+) or deficit (-) (on transactions relating to the National Accounts) ³ (51) | 106 | 350 | 100 | -1,030 | -536 | -809 |
| 23 | Totals⁴ | 7,386 | 8,339 | 8,753 | 8,716 | 9,780 | 10,306 |

¹ See also Table 37.

² See line 2, Table 2.

³ For a reconciliation of the federal content of this consolidated surplus (or deficit) with the conventional federal budgetary surplus (or deficit) see Table 53.

⁴ In addition to total expenditure, this item includes the government surplus or deficit. Inter-governmental transfers are not included in this total, since in the consolidation of the government sector such transactions cancel out. For details of inter-governmental transfers, see Table 46.

TABLE 11. Business Operating Account, 1955 - 60
Revenue

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 24 | Sales to residents: | | | | | | |
| | (a) Persons (9 a) | 16,375 | 17,714 | 18,879 | 19,963 | 21,066 | 21,884 |
| | (b) Governments ¹ (19 a) | 2,716 | 3,091 | 3,158 | 3,346 | 3,351 | 3,426 |
| | (c) Business gross fixed capital formation: ² | | | | | | |
| | (i) New residential construction (54 a) | 1,378 | 1,526 | 1,409 | 1,763 | 1,734 | 1,476 |
| | (ii) New non-residential construction (54 b) | 1,348 | 2,589 | 3,103 | 2,811 | 2,589 | 2,567 |
| | (iii) New machinery and equipment (54 c) | 1,984 | 2,659 | 2,823 | 2,401 | 2,571 | 2,569 |
| | (d) Value of physical change in inventories (55) | 311 | 1,034 | 231 | -333 | 297 | 316 |
| 25 | Sales to non-residents: | | | | | | |
| | (a) Travel expenditure (38 b) | 328 | 337 | 363 | 349 | 391 | 417 |
| | (b) Other (38 c) | 5,276 | 5,886 | 5,874 | 5,823 | 6,102 | 6,355 |
| 26 | Residual error of estimate | 109 | -142 | -29 | -105 | 207 | 97 |
| 27 | Totals | 30,325 | 34,744 | 35,811 | 36,018 | 38,308 | 39,117 |

¹ See footnotes 1, 2, 3, Table 2.

² See footnote 4, Table 2.

TABLE 12. Business Operating Account, 1955 - 60
Expenditure

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 28 | Factor costs: | | | | | | |
| | (a) Wages, salaries, and supplementary labour income (1 a) | 11,081 | 12,517 | 13,379 | 13,572 | 14,503 | 14,970 |
| | (b) Investment income (excluding interest and dividends received from non-residents and including interest and dividends paid to non-residents) (41) | 4,577 | 5,056 | 4,996 | 5,086 | 5,658 | 5,577 |
| | (c) Net income received by farm operators from farm production ¹ (3) | 1,200 | 1,430 | 1,026 | 1,198 | 1,136 | 1,201 |
| | (d) Adjustment on grain transactions ² (49 c) | 64 | 20 | - | - 1 | - 4 | 6 |
| | (e) Net income of non-farm unincorporated business (4) .. | 1,791 | 1,965 | 2,008 | 2,125 | 2,218 | 2,105 |
| | (f) Inventory valuation adjustment (50) | -189 | -238 | - 78 | - 35 | -115 | - 57 |
| 29 | Other costs: | | | | | | |
| | (a) Indirect taxes (15) | 3,319 | 3,759 | 3,977 | 4,028 | 4,442 | 4,623 |
| | (b) Less subsidies (21) | - 82 | -123 | -116 | -139 | -198 | -234 |
| | (c) Capital consumption allowances and miscellaneous valuation adjustments (49 b) | 3,266 | 3,642 | 4,009 | 3,930 | 4,143 | 4,291 |
| 30 | Purchases from non-residents (33 b) | 5,406 | 6,575 | 6,582 | 6,150 | 6,731 | 6,731 |
| 31 | Residual error of estimate | -108 | 141 | 28 | 104 | -206 | - 96 |
| 32 | Totals | 30,325 | 34,744 | 35,811 | 36,018 | 38,308 | 39,117 |

¹ See footnote 1, Table 7.

² This item is the adjustment to take account of the accrued earnings of farm operators arising out of the operations of the Canadian Wheat Board. See footnote 5, Table 52.

TABLE 13. Non-Residents' Revenue and Expenditure Account, 1955 - 60¹

Receipts from Canada

(Canadian Imports)

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 33 | Receipts from business: | | | | | | |
| | (a) Interest and dividends (46a) | 416 | 455 | 512 | 523 | 553 | 528 |
| | (b) Other than interest and dividends (30) | 5,406 | 6,575 | 6,582 | 6,150 | 6,731 | 6,731 |
| 34 | Receipts from persons: | | | | | | |
| | (a) Travel expenditure (9c) | 449 | 498 | 525 | 542 | 598 | 632 |
| | (b) All other receipts (9d) | 105 | 119 | 117 | 119 | 129 | 130 |
| 35 | Receipts from Government - Interest (46b) | 67 | 68 | 77 | 89 | 104 | 127 |
| 36 | Surplus (+) or deficit (-) on current account (on transactions relating to the National Accounts) (56) | -679 | -1,350 | -1,422 | -1,083 | -1,439 | -1,191 |
| 37 | Totals | 5,764 | 6,365 | 6,391 | 6,340 | 6,676 | 6,957 |

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.

TABLE 14. Non-Residents' Revenue and Expenditure Account, 1955 - 60¹

Payments to Canada

(Canadian Exports)

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 38 | Payments to business: | | | | | | |
| | (a) Interest and dividends (42a) | 80 | 73 | 81 | 81 | 90 | 74 |
| | (b) Travel expenditure (25a) | 328 | 337 | 363 | 349 | 391 | 417 |
| | (c) Other payments (25b) <i>Subsidies to non-residents</i> | 5,276 | 5,886 | 5,874 | 5,823 | 6,102 | 6,365 |
| 39 | Payments to other sectors: | | | | | | |
| | Interest and dividends (42b) | 80 | 69 | 73 | 87 | 93 | 101 |
| 40 | Totals | 5,764 | 6,365 | 6,391 | 6,340 | 6,676 | 6,957 |

¹ See footnote 1, Table 13.

TABLE 15. Investment Income Appropriation Account, 1955 - 60

Source

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 41 | Investment income (excluding interest and dividends received from non-residents and including interest and dividends paid to non-residents) (28b) | 4,577 | 5,056 | 4,996 | 5,086 | 5,658 | 5,577 |
| 42 | Interest and dividends from non-residents received by: | | | | | | |
| | (a) Corporations (38a) | 80 | 73 | 81 | 81 | 90 | 74 |
| | (b) Other sectors (39) | 80 | 69 | 73 | 87 | 93 | 101 |
| 43 | Totals | 4,737 | 5,198 | 5,150 | 5,254 | 5,841 | 5,752 |

TABLE 16. Investment Income Appropriation Account, 1955 - 60
Disposition

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 44 | To Canadian residents: | | | | | | |
| | (a) Interest, dividends, and net rental income of persons (5) | 1,840 | 1,908 | 2,141 | 2,288 | 2,559 | 2,696 |
| | (b) Charitable contributions from corporations (6b) | 29 | 34 | 36 | 38 | 40 | 40 |
| | (c) Corporation income tax collections (13a) | 1,109 | 1,373 | 1,550 | 1,336 | 1,440 | 1,672 |
| | (d) Excess of corporation income tax liabilities over collections (13b) | 163 | 40 | -213 | -36 | 101 | -223 |
| | (e) Withholding taxes (14) | 67 | 69 | 83 | 48 | 72 | 77 |
| | (f) Government interest revenue (16a) | 238 | 258 | 293 | 363 | 412 | 438 |
| | (g) Profits of government business enterprises (16b) | 515 | 576 | 556 | 574 | 581 | 622 |
| | (h) Undistributed corporation profits (49a) | 962 | 1,131 | 854 | 812 | 923 | 824 |
| 45 | Less: Interest on the public debt (20a) | -669 | -714 | -739 | -781 | -944 | -1,049 |
| 46 | To non-residents, interest and dividends received from: | | | | | | |
| | (a) Business (33a) | 416 | 455 | 512 | 523 | 553 | 528 |
| | (b) Government (35) | 67 | 68 | 77 | 89 | 104 | 127 |
| 47 | Totals | 4,737 | 5,198 | 5,150 | 5,254 | 5,841 | 5,752 |

TABLE 17. National Saving Account, 1955 - 60
Source

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 48 | Personal net saving (10) | 850 | 1,320 | 1,202 | 1,674 | 1,754 | 1,675 |
| 49 | Business gross saving: | | | | | | |
| | (a) Undistributed corporation profits (44h) | 962 | 1,131 | 854 | 812 | 923 | 824 |
| | (b) Capital consumption allowances and miscellaneous valuation adjustments (29c) ¹ | 3,266 | 3,642 | 4,009 | 3,930 | 4,143 | 4,291 |
| | (c) Adjustment on grain transactions (28d) | 64 | 20 | - | -1 | -4 | 6 |
| 50 | Inventory valuation adjustment (28f) | -189 | -238 | -78 | -35 | -115 | -57 |
| 51 | Government surplus (+) or deficit (-) (22) | 106 | 350 | 100 | -1,030 | -536 | -809 |
| 52 | Residual error of estimate | -108 | 141 | 28 | 104 | -206 | -96 |
| 53 | Totals | 4,951 | 6,366 | 6,115 | 5,454 | 5,959 | 5,834 |

¹ Includes capital consumption allowances of incorporated and unincorporated business as well as depreciation on dwellings. See also table 51.

TABLE 18. National Saving Account, 1955 - 60
Disposition

| Item No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 54 | Business gross fixed capital formation: ¹ | | | | | | |
| | (a) New residential construction (24 ci) | 1,378 | 1,526 | 1,409 | 1,763 | 1,734 | 1,476 |
| | (b) New non-residential construction (24 cii) | 1,848 | 2,589 | 3,103 | 2,811 | 2,589 | 2,567 |
| | (c) New machinery and equipment (24 ciil) | 1,984 | 2,659 | 2,823 | 2,401 | 2,571 | 2,569 |
| 55 | Value of physical change in inventories (24 d) | 311 | 1,084 | 231 | -333 | 297 | 316 |
| 56 | Surplus (+) or deficit (-) on current account with non-residents ² (36) | -679 | -1,350 | -1,422 | -1,083 | -1,439 | -1,191 |
| 57 | Residual error of estimate | 109 | -142 | -29 | -105 | 207 | 97 |
| 58 | Totals | 4,951 | 6,366 | 6,115 | 5,454 | 5,959 | 5,834 |

¹ See footnote 4, 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 13.

TABLE 19. Sector Accounts Consolidation, 1955 - 60
National Income and Gross National Product

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| | Income originating in: | | | | | | |
| | Personal sector: | | | | | | |
| 1 | Wages, salaries, and supplementary labour income | 460 | 502 | 551 | 616 | 689 | 763 |
| 2 | Business sector | 18,524 | 20,750 | 21,331 | 21,945 | 23,396 | 23,802 |
| 3 | Wages, salaries, and supplementary labour income | 11,081 | 12,517 | 13,379 | 13,572 | 14,503 | 14,970 |
| 4 | Investment income (excluding interest and dividends received from non-residents and including interest and dividends paid to non-residents) | 4,577 | 5,056 | 4,996 | 5,086 | 5,658 | 5,577 |
| 5 | Net income received by farm operators from farm production | 1,200 | 1,430 | 1,026 | 1,198 | 1,136 | 1,201 |
| 6 | Adjustment on grain transactions | 64 | 20 | - | -1 | -4 | 6 |
| 7 | Net income of non-farm unincorporated business | 1,791 | 1,965 | 2,008 | 2,125 | 2,218 | 2,105 |
| 8 | Inventory valuation adjustment | -189 | -238 | -78 | -35 | -115 | -57 |
| 9 | Government sector | 2,076 | 2,295 | 2,564 | 2,827 | 3,065 | 3,290 |
| 10 | Wages, salaries, and supplementary labour income | 1,682 | 1,871 | 2,088 | 2,336 | 2,569 | 2,781 |
| 11 | Military pay and allowances | 394 | 424 | 476 | 491 | 496 | 509 |
| 12 | Non-residents' sector | -323 | -381 | -435 | -444 | -474 | -480 |
| | Interest and dividends paid by non-residents: | | | | | | |
| 13 | (a) To Canadian corporations | 80 | 73 | 81 | 81 | 90 | 74 |
| 14 | (b) To other Canadian sectors | 80 | 69 | 73 | 87 | 93 | 101 |
| | Less interest and dividends received by non-residents: | | | | | | |
| 15 | (a) From Canadian business | -416 | -455 | -512 | -523 | -553 | -528 |
| 16 | (b) From Canadian governments | -67 | -68 | -77 | -89 | -104 | -127 |
| 17 | Net national income at factor cost | 20,737 | 23,166 | 24,011 | 24,944 | 26,676 | 27,375 |
| 18 | Capital consumption allowances and miscellaneous valuation adjustments | 3,266 | 3,642 | 4,009 | 3,930 | 4,143 | 4,291 |
| 19 | Indirect taxes | 3,319 | 3,759 | 3,977 | 4,028 | 4,442 | 4,623 |
| 20 | Less subsidies | -82 | -123 | -116 | -139 | -198 | -234 |
| 21 | Residual error of estimate | -108 | 141 | 28 | 104 | -206 | -96 |
| 22 | Gross National Product at market prices | 27,132 | 30,585 | 31,909 | 32,867 | 34,857 | 35,959 |

TABLE 20. Sector Accounts Consolidation, 1955 - 60
Gross National Expenditure

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Personal expenditure on consumer goods and services | 17,389 | 18,833 | 20,072 | 21,240 | 22,482 | 23,409 |
| 2 | Purchases from business | 16,375 | 17,714 | 18,879 | 19,963 | 21,066 | 21,884 |
| 3 | Purchases of direct services | 460 | 502 | 551 | 616 | 689 | 763 |
| 4 | Purchases from non-residents | 554 | 617 | 642 | 661 | 727 | 762 |
| 5 | Government expenditure on goods and services | 4,792 | 5,386 | 5,722 | 6,173 | 6,416 | 6,716 |
| 6 | Purchases from business | 2,716 | 3,091 | 3,158 | 3,346 | 3,351 | 3,426 |
| 7 | Wages and salaries | 1,682 | 1,871 | 2,088 | 2,336 | 2,569 | 2,781 |
| 8 | Military pay and allowances | 394 | 424 | 476 | 491 | 496 | 509 |
| 9 | Business gross fixed capital formation | 5,210 | 6,774 | 7,335 | 6,975 | 6,894 | 6,612 |
| 10 | New residential construction | 1,378 | 1,526 | 1,409 | 1,763 | 1,734 | 1,476 |
| 11 | New non-residential construction | 1,848 | 2,589 | 3,103 | 2,811 | 2,589 | 2,567 |
| 12 | New machinery and equipment | 1,984 | 2,659 | 2,823 | 2,401 | 2,571 | 2,569 |
| 13 | Value of physical change in inventories | 311 | 1,084 | 231 | -333 | 297 | 316 |
| 14 | Exports of goods and services | 5,764 | 6,365 | 6,391 | 6,340 | 6,676 | 6,957 |
| 15 | Payments to Canadian business | 5,684 | 6,296 | 6,318 | 6,253 | 6,583 | 6,856 |
| 16 | Payments to other sectors | 80 | 69 | 73 | 87 | 93 | 101 |
| 17 | Imports of goods and services | -6,443 | -7,715 | -7,813 | -7,423 | -8,115 | -8,148 |
| 18 | Receipts from Canadian business | -5,822 | -7,030 | -7,094 | -6,673 | -7,284 | -7,259 |
| 19 | Receipts from persons | -554 | -617 | -642 | -661 | -727 | -762 |
| 20 | Receipts from government | -67 | -68 | -77 | -89 | -104 | -127 |
| 21 | Residual error of estimate | 109 | -142 | -29 | -105 | 207 | 97 |
| 22 | Gross National Expenditure at market prices | 27,132 | 30,585 | 31,909 | 32,867 | 34,857 | 35,959 |

SECTION B

INDUSTRIAL DISTRIBUTION OF GROSS DOMESTIC
PRODUCT AND OTHER AGGREGATES

TABLE 21. Gross Domestic Product at Factor Cost, by Industry, 1955 - 60¹

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Agriculture | 1,767 | 1,973 | 1,551 | 1,729 | 1,674 | 1,763 |
| 2 | Forestry | 438 | 462 | 413 | 334 | 362 | 392 |
| 3 | Fishing and trapping | 85 | 98 | 88 | 112 | 105 | 97 |
| 4 | Mining, quarrying, and oil wells | 1,071 | 1,196 | 1,222 | 1,152 | 1,299 | 1,320 |
| 5 | Manufacturing | 6,779 | 7,605 | 7,904 | 7,744 | 8,288 | 8,388 |
| 6 | Construction | 1,385 | 1,752 | 1,935 | 2,018 | 2,149 | 2,104 |
| 7 | Transportation | 1,719 | 1,983 | 2,032 | 1,928 | 2,077 | 2,058 |
| 8 | Storage | 68 | 79 | 77 | 77 | 92 | 87 |
| 9 | Communication | 473 | 532 | 581 | 619 | 638 | 671 |
| 10 | Electric power, gas, and water utilities | 664 | 768 | 879 | 931 | 1,001 | 1,065 |
| 11 | Wholesale trade | 1,080 | 1,260 | 1,371 | 1,380 | 1,503 | 1,513 |
| 12 | Retail trade | 2,243 | 2,437 | 2,573 | 2,770 | 2,914 | 2,904 |
| 13 | Finance, insurance, and real estate ² | 2,298 | 2,337 | 2,646 | 2,903 | 3,114 | 3,300 |
| 14 | Public administration and defence | 1,590 | 1,738 | 1,928 | 2,104 | 2,239 | 2,371 |
| 15 | Service | 2,666 | 2,969 | 3,255 | 3,517 | 3,838 | 4,113 |
| 16 | Totals | 24,326 | 27,189 | 28,455 | 29,318 | 31,293 | 32,146 |

¹ For a reconciliation between Gross National Product at market prices and gross domestic product at factor cost, see Table 4. It should be noted that the data for wages, salaries, and supplementary labour income; and the inventory valuation adjustment are on an establishment basis, while the data for net income of unincorporated business; investment income; and capital consumption allowances and miscellaneous valuation adjustments are on a company basis.

Details by industry on capital consumption allowances and miscellaneous valuation adjustments, and the inventory valuation adjustment are not given pending further research, and Tables 22 to 24 are therefore not additive to the above data.

² This group includes ownership of dwellings.

TABLE 22. Wages, Salaries, and Supplementary Labour Income, by Industry, 1955 - 60¹

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Agriculture | 161 | 172 | 172 | 177 | 182 | 187 |
| 2 | Forestry | 342 | 388 | 354 | 288 | 308 | 346 |
| 3 | Fishing and trapping | 20 | 23 | 21 | 26 | 24 | 22 |
| 4 | Mining, quarrying, and oil wells | 457 | 528 | 569 | 562 | 592 | 596 |
| 5 | Manufacturing | 4,299 | 4,766 | 5,034 | 5,041 | 5,355 | 5,491 |
| 6 | Construction | 936 | 1,239 | 1,341 | 1,359 | 1,504 | 1,507 |
| 7 | Transportation | 1,123 | 1,247 | 1,306 | 1,294 | 1,372 | 1,363 |
| 8 | Storage | 44 | 49 | 53 | 55 | 61 | 61 |
| 9 | Communication | 303 | 342 | 385 | 413 | 430 | 451 |
| 10 | Electric power, gas, and water utilities | 212 | 249 | 288 | 311 | 331 | 344 |
| 11 | Wholesale trade | 739 | 830 | 919 | 954 | 1,027 | 1,090 |
| 12 | Retail trade | 1,187 | 1,304 | 1,420 | 1,490 | 1,605 | 1,677 |
| 13 | Finance, insurance, and real estate | 554 | 619 | 698 | 735 | 772 | 814 |
| 14 | Public administration and defence ¹ | 1,590 | 1,738 | 1,928 | 2,104 | 2,239 | 2,371 |
| 15 | Service | 1,650 | 1,820 | 2,006 | 2,206 | 2,455 | 2,703 |
| 16 | Totals | 13,617 | 15,314 | 16,494 | 17,015 | 18,257 | 19,023 |

¹ Includes military pay and allowances.

TABLE 23. Investment Income, by Industry, 1955 - 60¹

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Agriculture | 44 | 48 | 52 | 56 | 58 | 60 |
| 2 | Forestry | 21 | 17 | 5 | 6 | 6 | 8 |
| 3 | Fishing and trapping | — | — | — | — | — | — |
| 4 | Mining, quarrying, and oil wells..... | 342 | 402 | 344 | 255 | 333 | 372 |
| 5 | Manufacturing..... | 1,552 | 1,722 | 1,583 | 1,475 | 1,700 | 1,553 |
| 6 | Construction | 86 | 122 | 167 | 210 | 209 | 193 |
| 7 | Transportation | 215 | 263 | 185 | 123 | 156 | 129 |
| 8 | Storage | 12 | 16 | 9 | 10 | 18 | 13 |
| 9 | Communication | 74 | 81 | 72 | 105 | 98 | 107 |
| 10 | Electric power, gas, and water utilities | 301 | 334 | 369 | 387 | 420 | 452 |
| 11 | Wholesale trade | 244 | 325 | 295 | 263 | 302 | 259 |
| 12 | Retail trade | 319 | 379 | 391 | 426 | 445 | 419 |
| 13 | Finance, insurance, and real estate | 1,178 | 1,129 | 1,280 | 1,517 | 1,638 | 1,732 |
| 14 | Public administration and defence | — | — | — | — | — | — |
| 15 | Service | 189 | 218 | 244 | 253 | 275 | 280 |
| 16 | Totals | 4,577 | 5,056 | 4,996 | 5,086 | 5,658 | 5,577 |

¹ The total of this table does not agree with the sum of corporation profits; and rent, interest, and miscellaneous investment income in Table 1. Data in Table 1 are on a national concept basis, while the data in this table are on a domestic concept basis. Interest and dividends paid to non-residents are included in this table and interest and dividends received from non-residents are excluded from this table.

TABLE 24. Accrued Net Income of Farm Operators from Farm Production and Net Income of Non-Farm Unincorporated Business, by Industry, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Agriculture | 1,264 | 1,450 | 1,026 | 1,197 | 1,132 | 1,207 |
| 2 | Forestry | 62 | 54 | 35 | 29 | 29 | 30 |
| 3 | Fishing and trapping | 39 | 49 | 38 | 57 | 55 | 51 |
| 4 | Mining, quarrying, and oil wells..... | 6 | 6 | 6 | 6 | 6 | 6 |
| 5 | Manufacturing | 151 | 176 | 179 | 171 | 180 | 183 |
| 6 | Construction | 264 | 270 | 281 | 284 | 295 | 251 |
| 7 | Transportation | 66 | 71 | 66 | 72 | 79 | 81 |
| 8 | Storage; communication; and electric power, gas, and water utilities | — | — | — | — | — | — |
| 9 | Retail trade | 488 | 544 | 577 | 612 | 637 | 549 |
| 10 | Wholesale trade | 55 | 59 | 48 | 60 | 62 | 62 |
| 11 | Finance, insurance, and real estate | 83 | 68 | 67 | 69 | 70 | 70 |
| 12 | Service | 597 | 668 | 711 | 765 | 805 | 822 |
| 13 | Totals | 3,055 | 3,415 | 3,034 | 3,322 | 3,350 | 3,312 |

TABLE 25. Business Gross Fixed Capital Formation, by Industry, 1955 - 60¹

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Agriculture | 426 | 488 | 434 | 465 | 539 | 548 |
| 2 | Fishing and trapping | | | | | | |
| 3 | Forestry | | | | | | |
| 4 | Mining, quarrying, and oil wells | 336 | 542 | 606 | 342 | 342 | 382 |
| 5 | Manufacturing | 947 | 1,394 | 1,479 | 1,095 | 1,144 | 1,192 |
| 6 | Construction | 174 | 200 | 158 | 157 | 145 | 137 |
| 7 | Transportation | 395 | 731 | 1,042 | 967 | 746 | 701 |
| 8 | Storage ² | | | | | | |
| 9 | Communication ³ | 219 | 254 | 312 | 336 | 325 | 350 |
| 10 | Electric power, gas, and water utilities ² | 516 | 772 | 949 | 845 | 766 | 701 |
| 11 | Trade | 329 | 325 | 370 | 356 | 363 | 348 |
| 12 | Finance, insurance, and real estate ⁴ | 1,480 | 1,650 | 1,545 | 1,943 | 2,001 | 1,726 |
| 13 | Service ⁵ | 325 | 342 | 392 | 436 | 475 | 475 |
| 14 | Totals | 5,210 | 6,774 | 7,335 | 6,975 | 6,894 | 6,612 |

¹ This table is derived from *Private and Public Investment in Canada, 1946-1957* and *Private and Public Investment in Canada, Outlook, 1960 and 1961*. Additional detail has been provided by the D.B.S. Business Finance Division and adjustments have been made to classify the data according to National Accounting concepts. (See reconciliation statement, Table 54). For an industrial distribution of both private and public investment see Table 3 and Table 1 respectively in the aforementioned publications.

² In accordance with the Standard Industrial Classification, outlays for investment of grain elevators are included in the storage industry. Prior to 1954 this item was assigned to the electric power, gas and water utilities industry. To facilitate historical comparison of the affected industries, the grain elevators investment figures are as follows: 1955, \$11 million; 1956, \$14 million; 1957, \$10 million; 1958, \$12 million; 1959, \$24 million, and 1960, \$16 million.

³ Excludes investment expenditures by the Canadian Broadcasting Corporation, which are included in "Government expenditure on goods and services".

⁴ Includes all new residential construction, (exclusive of government other than government business enterprises). See line 6, Table 2.

⁵ Excludes expenditures by government departments and government operated institutions which are included with "government expenditure on goods and services". Expenditures of government business enterprises (railways, power commissions, etc.) are included under appropriate industry headings.

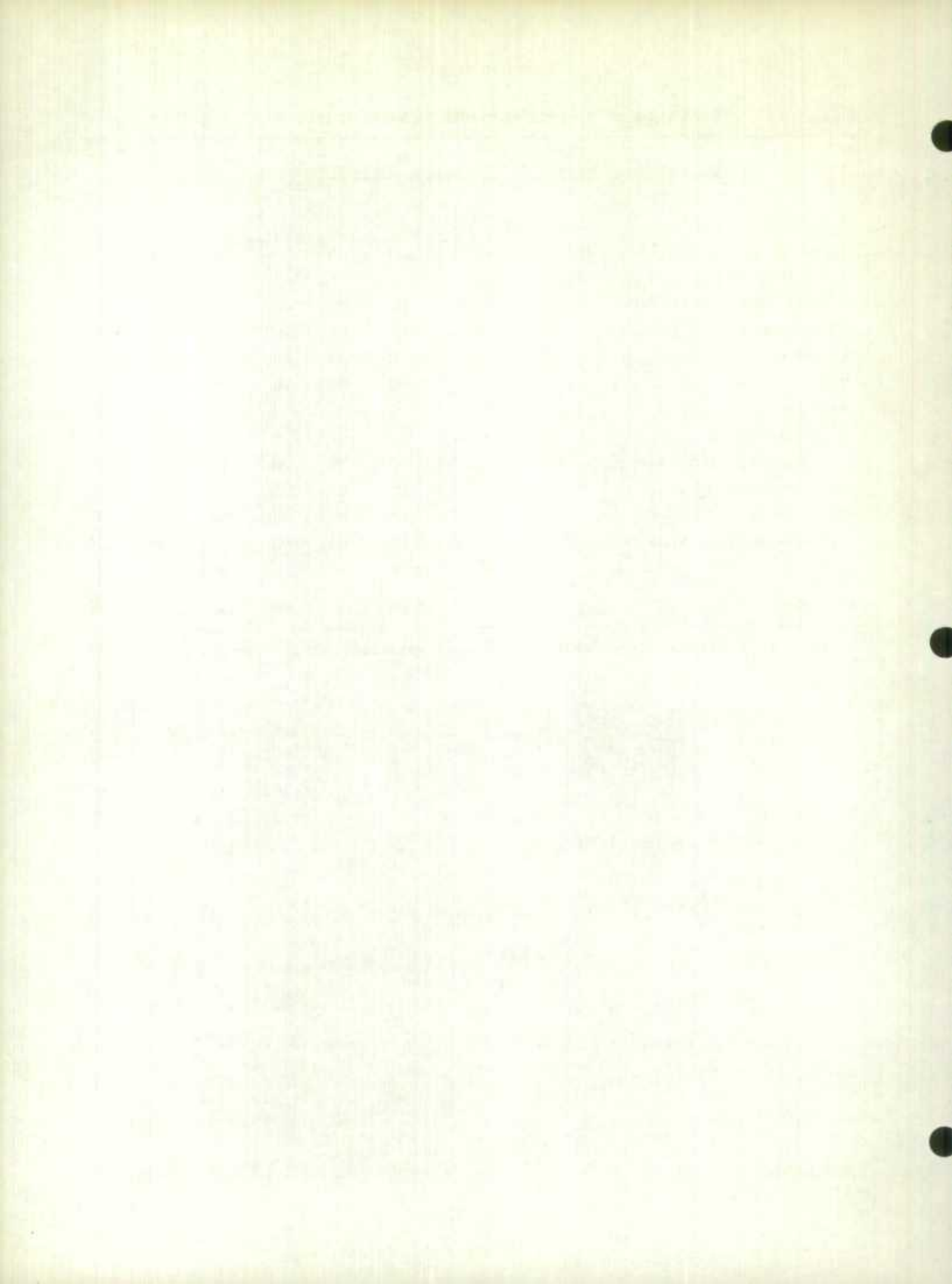
TABLE 26. Value of Physical Change in Inventories, by Industry, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|------------|-------------|------------|------------|
| | | millions of dollars | | | | | |
| 1 | Agriculture | 198 | 241 | -125 | - 93 | -65 | 17 |
| 2 | Forestry | 9 | 3 | 4 | - 21 | 12 | 4 |
| 3 | Fishing and trapping | - | - | - | - | - | - |
| 4 | Mining, quarrying, and oil wells | - 6 | 15 | 43 | 43 | - 2 | 3 |
| 5 | Manufacturing | - 6 | 433 | 140 | -146 | 118 | 66 |
| 6 | Construction | 18 | 29 | - 9 | - 11 | 11 | - 9 |
| 7 | Transportation | -32 | 28 | 8 | - 21 | 10 | -23 |
| 8 | Storage | | | | | | |
| 9 | Communication | - 2 | 16 | 20 | - 7 | - 9 | - 1 |
| 10 | Electric power, gas, and water utilities | Trade: | | | | | |
| 11 | Grain in commercial channels | -20 | 35 | 51 | - 33 | 11 | 70 |
| 12 | Wholesale (excluding grain in commercial channels) | 47 | 127 | 71 | - 53 | 85 | 15 |
| 13 | Retail | 109 | 155 | 27 | 10 | 125 | 174 |
| 14 | Finance, insurance, and real estate | - 4 | 2 | 1 | - 1 | 1 | - |
| 15 | Service | | | | | | |
| 16 | Totals | 311 | 1,084 | 231 | -333 | 297 | 316 |

TABLE 27. Corporation Profits, by Industry, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Agriculture | } 21 | 16 | 5 | 9 | 8 | 9 |
| 2 | Forestry | | | | | | |
| 3 | Fishing and trapping | | | | | | |
| 4 | Mining, quarrying, and oil wells | 325 | 382 | 322 | 234 | 313 | 352 |
| 5 | Manufacturing | 1,515 | 1,646 | 1,469 | 1,362 | 1,596 | 1,420 |
| 6 | Construction | 77 | 106 | 150 | 194 | 190 | 172 |
| 7 | Transportation | 144 | 177 | 145 | 90 | 121 | 115 |
| 8 | Storage | 11 | 15 | 8 | 9 | 17 | 12 |
| 9 | Communication | 43 | 48 | 47 | 80 | 72 | 77 |
| 10 | Electric power, gas, and water utilities | 55 | 60 | 61 | 56 | 67 | 75 |
| 11 | Wholesale trade | 222 | 295 | 262 | 231 | 264 | 217 |
| 12 | Retail trade | 170 | 213 | 209 | 226 | 240 | 200 |
| 13 | Finance, insurance, and real estate | 326 | 318 | 301 | 425 | 437 | 487 |
| 14 | Service | 56 | 69 | 77 | 72 | 76 | 64 |
| 15 | Totals¹ | 2,965 | 3,345 | 3,056 | 2,988 | 3,401 | 3,200 |

¹ For an analysis of total corporation profits see Table 50. For an explanation of the contents of these totals, see footnote 1, Table 50.



SECTION C

GEOGRAPHICAL DISTRIBUTION OF PERSONAL INCOME

TABLE 28. Personal Income, Geographical Distribution, 1955 - 60¹

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Newfoundland | 277 | 311 | 329 | 345 | 373 | 393 |
| 2 | Prince Edward Island | 69 | 78 | 76 | 85 | 93 | 100 |
| 3 | Nova Scotia | 627 | 675 | 721 | 761 | 814 | 851 |
| 4 | New Brunswick | 450 | 497 | 513 | 541 | 580 | 621 |
| 5 | Quebec | 4,847 | 5,318 | 5,742 | 6,065 | 6,404 | 6,684 |
| 6 | Ontario | 7,918 | 8,617 | 9,399 | 9,994 | 10,700 | 11,079 |
| 7 | Manitoba | 999 | 1,126 | 1,132 | 1,264 | 1,339 | 1,372 |
| 8 | Saskatchewan | 1,022 | 1,226 | 1,019 | 1,107 | 1,184 | 1,318 |
| 9 | Alberta | 1,410 | 1,635 | 1,660 | 1,851 | 1,958 | 2,018 |
| 10 | British Columbia | 2,064 | 2,332 | 2,527 | 2,613 | 2,782 | 2,901 |
| 11 | Yukon and Northwest Territories | 31 | 43 | 42 | 43 | 44 | 48 |
| 12 | Foreign Countries ² | 24 | 27 | 31 | 33 | 48 | 57 |
| 13 | Canada | 19,738 | 21,885 | 23,191 | 24,702 | 26,319 | 27,442 |

¹ Geographical distributions of only the main components of personal income are given in Tables 31 to 35 inclusive; these tables, therefore, do not add to the total of personal income.

² Includes receipts of income of Canadians temporarily abroad, including pay and allowances of Canadian armed forces abroad.

TABLE 29. Personal Income per Person, Geographical Distribution, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | | dollars | | | | | |
| 1 | Newfoundland | 682 | 749 | 772 | 788 | 831 | 856 |
| 2 | Prince Edward Island | 690 | 788 | 768 | 850 | 912 | 971 |
| 3 | Nova Scotia | 918 | 971 | 1,027 | 1,072 | 1,137 | 1,177 |
| 4 | New Brunswick | 823 | 895 | 908 | 938 | 983 | 1,035 |
| 5 | Quebec | 1,073 | 1,149 | 1,207 | 1,242 | 1,281 | 1,309 |
| 6 | Ontario | 1,504 | 1,594 | 1,672 | 1,722 | 1,798 | 1,820 |
| 7 | Manitoba | 1,191 | 1,325 | 1,316 | 1,453 | 1,513 | 1,526 |
| 8 | Saskatchewan | 1,164 | 1,392 | 1,159 | 1,247 | 1,313 | 1,448 |
| 9 | Alberta | 1,292 | 1,456 | 1,431 | 1,541 | 1,575 | 1,573 |
| 10 | British Columbia | 1,538 | 1,667 | 1,699 | 1,692 | 1,772 | 1,806 |
| 11 | Yukon and Northwest Territories | 1,069 | 1,387 | 1,355 | 1,303 | 1,294 | 1,333 |
| 12 | Canada | 1,257 | 1,361 | 1,398 | 1,449 | 1,509 | 1,540 |

TABLE 30. Personal Disposable Income,¹ Geographical Distribution, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Newfoundland | 264 | 294 | 311 | 330 | 357 | 374 |
| 2 | Prince Edward Island | 67 | 75 | 73 | 82 | 90 | 96 |
| 3 | Nova Scotia | 601 | 644 | 680 | 725 | 774 | 800 |
| 4 | New Brunswick | 431 | 474 | 484 | 504 | 544 | 575 |
| 5 | Quebec | 4,463 | 4,900 | 5,281 | 5,663 | 5,952 | 6,175 |
| 6 | Ontario | 7,219 | 7,774 | 8,536 | 9,174 | 9,700 | 9,957 |
| 7 | Manitoba | 933 | 1,051 | 1,054 | 1,182 | 1,242 | 1,262 |
| 8 | Saskatchewan | 964 | 1,178 | 949 | 1,037 | 1,108 | 1,236 |
| 9 | Alberta | 1,323 | 1,536 | 1,530 | 1,727 | 1,820 | 1,863 |
| 10 | British Columbia | 1,922 | 2,160 | 2,306 | 2,417 | 2,561 | 2,645 |
| 11 | Yukon and Northwest Territories | 28 | 40 | 39 | 40 | 40 | 44 |
| 12 | Foreign Countries ² | 24 | 27 | 31 | 33 | 48 | 57 |
| 13 | Canada | 18,239 | 20,153 | 21,274 | 22,914 | 24,236 | 25,084 |

¹ Personal disposable income consists of total personal income less personal direct taxes.

² Taxes paid by Canadians temporarily abroad cannot be estimated and all direct taxes are allocated to provincial personal incomes only.

TABLE 31. Wages, Salaries, and Supplementary Labour Income,¹ Geographical Distribution, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Newfoundland | 191 | 215 | 226 | 224 | 244 | 261 |
| 2 | Prince Edward Island | 33 | 36 | 38 | 38 | 44 | 47 |
| 3 | Nova Scotia | 405 | 440 | 465 | 475 | 510 | 540 |
| 4 | New Brunswick | 293 | 327 | 332 | 340 | 371 | 394 |
| 5 | Quebec | 3,377 | 3,817 | 4,103 | 4,235 | 4,522 | 4,735 |
| 6 | Ontario | 5,546 | 6,198 | 6,741 | 6,982 | 7,482 | 7,741 |
| 7 | Manitoba | 635 | 700 | 738 | 771 | 837 | 865 |
| 8 | Saskatchewan | 445 | 499 | 534 | 568 | 611 | 633 |
| 9 | Alberta | 839 | 961 | 1,029 | 1,088 | 1,193 | 1,246 |
| 10 | British Columbia | 1,426 | 1,649 | 1,765 | 1,755 | 1,897 | 1,998 |
| 11 | Yukon and Northwest Territories | 26 | 39 | 37 | 38 | 40 | 43 |
| 12 | Foreign Countries | 7 | 9 | 10 | 10 | 10 | 11 |
| 13 | Canada | 13,223 | 14,890 | 16,018 | 16,524 | 17,761 | 18,514 |

¹ Excludes military pay and allowances, includes employer and employee contributions to social insurance and government pension funds.

**TABLE 32. Net Income Received by Farm Operators From Farm Production,¹
Geographical Distribution 1955 - 60**

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Newfoundland | 2 | 2 | 2 | 2 | 2 | 2 |
| 2 | Prince Edward Island | 11 | 13 | 9 | 12 | 11 | 12 |
| 3 | Nova Scotia | 15 | 16 | 15 | 14 | 12 | 14 |
| 4 | New Brunswick | 17 | 25 | 19 | 18 | 15 | 21 |
| 5 | Quebec | 218 | 186 | 176 | 194 | 181 | 178 |
| 6 | Ontario | 316 | 297 | 307 | 360 | 295 | 330 |
| 7 | Manitoba | 82 | 127 | 75 | 118 | 109 | 95 |
| 8 | Saskatchewan | 296 | 443 | 192 | 190 | 227 | 294 |
| 9 | Alberta | 197 | 273 | 181 | 236 | 233 | 205 |
| 10 | British Columbia | 46 | 48 | 50 | 54 | 51 | 50 |
| 11 | Yukon and Northwest Territories | - | - | - | - | - | - |
| 12 | Canada | 1,200 | 1,430 | 1,026 | 1,198 | 1,136 | 1,201 |

¹ This item differs from line 5 Table 1, by excluding the adjustment which has been made to take account of the accrued earnings arising out of the operations of the Canadian Wheat Board.

**TABLE 33. Net Income of Non-Farm Unincorporated Business, Geographical Distribution,
1955 - 60**

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Newfoundland | 29 | 33 | 35 | 34 | 41 | 38 39 + 2 |
| 2 | Prince Edward Island | 8 | 10 | 10 | 12 | 13 | 13 12 + 1 |
| 3 | Nova Scotia | 69 | 75 | 76 | 82 | 84 | 84 81 + 2 |
| 4 | New Brunswick | 50 | 52 | 48 | 54 | 57 | 56 55 + 2 |
| 5 | Quebec | 395 | 439 | 451 | 465 | 509 | 496 486 + 4 |
| 6 | Ontario | 688 | 736 | 752 | 800 | 825 | 813 782 + 16 |
| 7 | Manitoba | 101 | 109 | 114 | 120 | 129 | 130 123 + 10 |
| 8 | Saskatchewan | 89 | 104 | 112 | 114 | 117 | 117 111 + 14 |
| 9 | Alberta | 135 | 155 | 162 | 177 | 176 | 179 165 + 25 |
| 10 | British Columbia | 224 | 250 | 246 | 265 | 265 | 264 249 + 9 |
| 11 | Yukon and Northwest Territories | 3 | 2 | 2 | 2 | 2 | 2 |
| 12 | Canada | 1,791 | 1,965 | 2,008 | 2,125 | 2,218 | 2,105 |

**TABLE 34. Interest, Dividends, and Net Rental Income of Persons,
Geographical Distribution, 1955 - 60**

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Newfoundland | 17 | 18 | 18 | 19 | 21 | 22 |
| 2 | Prince Edward Island | 6 | 6 | 6 | 6 | 7 | 7 |
| 3 | Nova Scotia | 46 | 48 | 54 | 55 | 61 | 63 |
| 4 | New Brunswick | 33 | 34 | 39 | 41 | 45 | 48 |
| 5 | Quebec | 439 | 446 | 514 | 533 | 588 | 614 |
| 6 | Ontario | 828 | 850 | 966 | 1,055 | 1,186 | 1,257 |
| 7 | Manitoba | 86 | 94 | 99 | 107 | 119 | 125 |
| 8 | Saskatchewan | 78 | 83 | 72 | 76 | 84 | 96 |
| 9 | Alberta | 122 | 129 | 137 | 150 | 167 | 175 |
| 10 | British Columbia | 184 | 199 | 235 | 245 | 280 | 288 |
| 11 | Yukon and Northwest Territories | 1 | 1 | 1 | 1 | 1 | 1 |
| 12 | Canada | 1,840 | 1,908 | 2,141 | 2,288 | 2,559 | 2,696 |

**TABLE 35. Government Transfer Payments, Excluding Interest, Geographical Distribution,
1955 - 60**

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Newfoundland | 42 | 47 | 50 | 67 | 68 | 73 |
| 2 | Prince Edward Island | 11 | 11 | 12 | 16 | 16 | 20 |
| 3 | Nova Scotia | 72 | 73 | 85 | 105 | 116 | 124 |
| 4 | New Brunswick | 59 | 62 | 77 | 91 | 95 | 109 |
| 5 | Quebec | 467 | 483 | 555 | 707 | 679 | 772 |
| 6 | Ontario | 541 | 549 | 655 | 818 | 949 | 1,039 |
| 7 | Manitoba | 90 | 89 | 100 | 143 | 145 | 167 |
| 8 | Saskatchewan | 121 | 105 | 117 | 169 | 157 | 198 |
| 9 | Alberta | 118 | 121 | 152 | 204 | 200 | 244 |
| 10 | British Columbia | 214 | 224 | 270 | 330 | 330 | 367 |
| 11 | Yukon and Northwest Territories | 1 | 1 | 2 | 2 | 2 | 2 |
| 12 | Foreign Countries | 1 | 1 | 1 | 1 | 1 | 1 |
| 13 | Canada | 1,737 | 1,766 | 2,076 | 2,653 | 2,758 | 3,116 |

SECTION D

GOVERNMENT SUPPLEMENTARY TABLES

TABLE 36. Government Revenue and Expenditure, by Level of Government, 1955 - 60¹
Revenue

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Direct taxes – Persons | 1,499 | 1,732 | 1,917 | 1,788 | 2,083 | 2,358 |
| 2 | Federal | 1,325 | 1,550 | 1,723 | 1,581 | 1,770 | 2,016 |
| 3 | Provincial | 159 | 165 | 176 | 188 | 293 | 322 |
| 4 | Municipal | 15 | 17 | 18 | 19 | 20 | 20 |
| 5 | Direct taxes – Corporations | 1,272 | 1,413 | 1,337 | 1,300 | 1,541 | 1,449 |
| 6 | Federal ² | 1,210 | 1,334 | 1,132 | 1,064 | 1,280 | 1,160 |
| 7 | Provincial | 62 | 79 | 205 | 236 | 261 | 289 |
| | Withholding taxes: | | | | | | |
| 8 | Federal | 67 | 69 | 83 | 48 | 72 | 77 |
| 9 | Indirect taxes | 3,319 | 3,759 | 3,977 | 4,028 | 4,442 | 4,623 |
| 10 | Federal | 1,744 | 1,972 | 1,990 | 1,912 | 2,131 | 2,181 |
| 11 | Provincial | 739 | 846 | 937 | 963 | 1,046 | 1,075 |
| 12 | Municipal | 836 | 941 | 1,050 | 1,153 | 1,265 | 1,367 |
| 13 | Investment income | 753 | 834 | 849 | 937 | 993 | 1,060 |
| 14 | Federal | 267 | 296 | 276 | 325 | 339 | 354 |
| 15 | Provincial | 309 | 346 | 367 | 390 | 412 | 444 |
| 16 | Municipal | 177 | 192 | 206 | 222 | 242 | 262 |
| 17 | Employer and employee contributions to social insurance and government pension funds | 476 | 532 | 590 | 615 | 649 | 739 |
| 18 | Federal | 324 | 357 | 384 | 391 | 413 | 492 |
| 19 | Provincial | 140 | 162 | 192 | 202 | 214 | 224 |
| 20 | Municipal | 12 | 13 | 14 | 22 | 22 | 23 |
| 21 | Transfers from other levels of government | 799 | 865 | 1,001 | 1,224 | 1,515 | 1,709 |
| 22 | Provinces – From Canada | 443 | 476 | 505 | 640 | 853 | 964 |
| 23 | From municipalities | 22 | 18 | 28 | 19 | 24 | 17 |
| 24 | Municipalities – From Canada | 7 | 9 | 16 | 22 | 20 | 27 |
| 25 | From provinces | 327 | 362 | 452 | 543 | 618 | 701 |
| 26 | Total revenue | 8,185 | 9,204 | 9,754 | 9,940 | 11,295 | 12,015 |
| 27 | Federal | 4,937 | 5,578 | 5,588 | 5,321 | 6,005 | 6,280 |
| 28 | Provincial | 1,874 | 2,092 | 2,410 | 2,638 | 3,103 | 3,335 |
| 29 | Municipal | 1,374 | 1,534 | 1,756 | 1,981 | 2,187 | 2,400 |

¹ For total government revenue and expenditure excluding inter-governmental transfers, see Tables 9 and 10.

² For details of tax collections and tax liabilities, see Table 50.

TABLE 37. Government Revenue and Expenditure, by Level of Government, 1955-60¹
Expenditure

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Goods and services | 4,792 | 5,386 | 5,722 | 6,173 | 6,416 | 6,716 |
| 2 | Federal ² | 2,510 | 2,683 | 2,728 | 2,854 | 2,832 | 2,739 |
| 3 | Provincial | 846 | 1,041 | 1,128 | 1,217 | 1,315 | 1,487 |
| 4 | Municipal | 1,436 | 1,662 | 1,866 | 2,102 | 2,269 | 2,490 |
| 5 | Transfer payments to persons (excluding interest on the public debt) | 1,737 | 1,766 | 2,076 | 2,653 | 2,758 | 3,116 |
| 6 | Federal | 1,232 | 1,224 | 1,463 | 1,904 | 1,795 | 1,983 |
| 7 | Provincial | 463 | 500 | 564 | 689 | 897 | 1,061 |
| 8 | Municipal | 42 | 42 | 49 | 60 | 66 | 72 |
| 9 | Interest on the public debt | 669 | 714 | 739 | 781 | 944 | 1,049 |
| 10 | Federal | 494 | 524 | 519 | 544 | 678 | 756 |
| 11 | Provincial | 97 | 105 | 114 | 118 | 129 | 143 |
| 12 | Municipal | 78 | 85 | 106 | 119 | 137 | 150 |
| 13 | Subsidies | 82 | 123 | 116 | 139 | 198 | 234 |
| 14 | Federal | 75 | 118 | 108 | 132 | 189 | 222 |
| 15 | Provincial | 7 | 5 | 8 | 7 | 9 | 12 |
| 16 | Transfers to other levels of governments | 799 | 865 | 1,001 | 1,224 | 1,515 | 1,709 |
| 17 | Canada - To provinces | 443 | 476 | 505 | 640 | 853 | 964 |
| 18 | To municipalities | 7 | 9 | 16 | 22 | 20 | 27 |
| 19 | Provinces - To municipalities | 327 | 362 | 452 | 543 | 618 | 701 |
| 20 | Municipalities - To provinces | 22 | 18 | 28 | 19 | 24 | 17 |
| 21 | Total expenditure | 8,079 | 8,854 | 9,654 | 10,970 | 11,831 | 12,824 |
| 22 | Federal | 4,761 | 5,034 | 5,339 | 6,096 | 6,367 | 6,691 |
| 23 | Provincial | 1,740 | 2,013 | 2,266 | 2,574 | 2,968 | 3,404 |
| 24 | Municipal | 1,578 | 1,807 | 2,049 | 2,300 | 2,496 | 2,729 |
| 25 | Deficit (-) or surplus (+) | 106 | 350 | 100 | -1,030 | -536 | -809 |
| 26 | Federal ³ | 176 | 544 | 249 | - 775 | -362 | -411 |
| 27 | Provincial | 134 | 79 | 144 | 64 | 135 | - 69 |
| 28 | Municipal | -204 | -273 | -293 | - 319 | -309 | -329 |
| 29 | Total expenditure minus deficit (or plus surplus) | 8,185 | 9,204 | 9,754 | 9,940 | 11,295 | 12,015 |
| 30 | Federal | 4,937 | 5,578 | 5,588 | 5,321 | 6,005 | 6,280 |
| 31 | Provincial | 1,874 | 2,092 | 2,410 | 2,638 | 3,103 | 3,335 |
| 32 | Municipal | 1,374 | 1,534 | 1,756 | 1,981 | 2,187 | 2,400 |

¹ For total government revenue and expenditure excluding inter-governmental transfers, see Tables 9 and 10.

² Defence expenditures included in these figures are as follows: 1955, \$1,760 million; 1956, \$1,802 million; 1957, \$1,765 million; 1958, \$1,661 million; 1959, \$1,560 million; 1960, \$1,561 million.

³ For the difference between this item and the conventional budgetary surplus or deficit, see reconciliation, Table 53.

TABLE 38. Direct Taxes - Persons, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| 1 | Income | 1,269 | 1,461 | 1,652 | 1,509 | 1,692 | 1,917 |
| 2 | Succession duties | 55 | 88 | 69 | 70 | 76 | 97 |
| 3 | Miscellaneous | 1 | 1 | 2 | 2 | 2 | 2 |
| 4 | Totals | 1,325 | 1,550 | 1,723 | 1,581 | 1,770 | 2,016 |
| | Provincial: | | | | | | |
| 5 | Income | 28 | 35 | 41 | 45 | 52 | 60 |
| 6 | Motor vehicle licences and permits ¹ | 36 | 47 | 50 | 51 | 58 | 64 |
| 7 | Succession duties | 72 | 58 | 57 | 56 | 54 | 61 |
| 8 | Hospital insurance | 9 | 7 | 10 | 17 | 109 | 116 |
| 9 | Miscellaneous | 14 | 18 | 18 | 19 | 20 | 21 |
| 10 | Totals | 159 | 165 | 176 | 188 | 293 | 322 |
| | Municipal: | | | | | | |
| 11 | Miscellaneous | 15 | 17 | 18 | 19 | 20 | 20 |
| 12 | Grand totals | 1,499 | 1,732 | 1,917 | 1,788 | 2,083 | 2,358 |

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

TABLE 39. Direct Taxes - Corporations, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| 1 | Income | 1,210 | 1,334 | 1,132 | 1,064 | 1,280 | 1,160 |
| | Provincial: | | | | | | |
| 2 | Income | 51 | 63 | 184 | 214 | 244 | 263 |
| 3 | Tax on mining and logging profits | 11 | 16 | 21 | 22 | 17 | 26 |
| 4 | Totals | 62 | 79 | 205 | 236 | 261 | 289 |
| 5 | Grand totals | 1,272 | 1,413 | 1,337 | 1,300 | 1,541 | 1,449 |

TABLE 40. Indirect Taxes, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| 1 | Banks and insurance companies | 14 | 15 | 17 | — | — | — |
| 2 | Customs import duties | 452 | 545 | 523 | 478 | 520 | 515 |
| 3 | Excise duties | 242 | 267 | 287 | 313 | 332 | 345 |
| 4 | Excise taxes | 1,028 | 1,131 | 1,150 | 1,107 | 1,255 | 1,304 |
| 5 | Miscellaneous | 8 | 14 | 13 | 14 | 24 | 17 |
| 6 | Totals | 1,744 | 1,972 | 1,990 | 1,912 | 2,131 | 2,181 |
| | Provincial: | | | | | | |
| 7 | Amusement | 21 | 21 | 21 | 22 | 22 | 23 |
| 8 | Corporation tax (not on profits) | 18 | 22 | 24 | 26 | 28 | 31 |
| 9 | Gasoline | 261 | 290 | 339 | 355 | 379 | 395 |
| 10 | Licences, fees, and permits | 24 | 25 | 26 | 26 | 31 | 30 |
| 11 | Motor vehicle licences and permits ¹ | 61 | 78 | 78 | 87 | 89 | 101 |
| 12 | Miscellaneous taxes on natural resources | 104 | 119 | 125 | 117 | 134 | 128 |
| 13 | Real property | 9 | 8 | 8 | 8 | 8 | 8 |
| 14 | Retail sales tax (including liquor and tobacco) | 158 | 191 | 204 | 203 | 227 | 233 |
| 15 | Miscellaneous | 83 | 92 | 112 | 119 | 128 | 126 |
| 16 | Totals | 739 | 846 | 937 | 963 | 1,046 | 1,075 |
| | Municipal: | | | | | | |
| 17 | Amusement | 2 | 2 | 2 | 2 | 2 | 2 |
| 18 | Licences, fees, and permits | 26 | 27 | 29 | 31 | 32 | 32 |
| 19 | Real property | 682 | 765 | 861 | 940 | 1,033 | 1,115 |
| 20 | Retail sales tax | 44 | 52 | 53 | 59 | 65 | 72 |
| 21 | Miscellaneous | 82 | 95 | 105 | 121 | 133 | 146 |
| 22 | Totals | 836 | 941 | 1,050 | 1,153 | 1,265 | 1,367 |
| 23 | Grand totals | 3,319 | 3,759 | 3,977 | 4,028 | 4,442 | 4,623 |

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

TABLE 41. Government Investment Income, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|------------|------------|------------|------------|--------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| 1 | Interest on government-held public funds | 68 | 77 | 86 | 101 | 107 | 108 |
| 2 | Interest on loans, advances and investments | 60 | 55 | 63 | 102 | 120 | 124 |
| 3 | Profits (net of losses) of government business enterprises | 139 | 164 | 127 | 122 | 112 | 122 |
| 4 | Totals | 267 | 296 | 276 | 325 | 339 | 354 |
| | Provincial: | | | | | | |
| 5 | Interest on government-held public funds | 38 | 41 | 47 | 53 | 60 | 66 |
| 6 | Interest on loans, advances and investments | 43 | 53 | 60 | 67 | 77 | 86 |
| 7 | Profits (net of losses) of government business enterprises | 228 | 252 | 260 | 270 | 275 | 292 |
| 8 | Totals | 309 | 346 | 367 | 390 | 412 | 444 |
| | Municipal: | | | | | | |
| 9 | Interest on government-held public funds | 8 | 9 | 9 | 10 | 12 | 13 |
| 10 | Interest on loans, advances and investments | 21 | 23 | 28 | 30 | 36 | 41 |
| 11 | Profits (net of losses) of government business enterprises | 148 | 160 | 169 | 182 | 194 | 208 |
| 12 | Totals | 177 | 192 | 206 | 222 | 242 | 262 |
| 13 | Grand totals | 753 | 834 | 849 | 937 | 993 | 1,060 |

TABLE 42. Employer and Employee Contributions to Social Insurance and Government Pension Funds, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---------------------------------------|---------------------|------------|------------|------------|------------|------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| 1 | Public service pensions | 159 | 173 | 193 | 206 | 209 | 214 |
| 2 | Unemployment insurance | 165 | 184 | 191 | 185 | 204 | 278 |
| 3 | Totals | 324 | 357 | 384 | 391 | 413 | 492 |
| | Provincial: | | | | | | |
| 4 | Public service pensions | 49 | 54 | 66 | 78 | 90 | 100 |
| 5 | Workmen's compensation | 77 | 90 | 106 | 104 | 104 | 104 |
| 6 | Industrial employees' vacations | 14 | 18 | 20 | 20 | 20 | 20 |
| 7 | Totals | 140 | 162 | 192 | 202 | 214 | 224 |
| | Municipal: | | | | | | |
| 8 | Public service pensions | 12 | 13 | 14 | 22 | 22 | 23 |
| 9 | Grand totals | 476 | 532 | 590 | 615 | 649 | 739 |

TABLE 43. Government Expenditure on Goods and Services, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| 1 | Wages, salaries, and supplementary labour income | 664 | 736 | 810 | 871 | 906 | 958 |
| 2 | Military pay and allowances | 394 | 424 | 476 | 491 | 496 | 509 |
| 3 | Other purchases of goods and services | 1,452 | 1,523 | 1,442 | 1,492 | 1,430 | 1,272 |
| 4 | Totals¹ | 2,510 | 2,683 | 2,728 | 2,854 | 2,832 | 2,739 |
| | Provincial: | | | | | | |
| 5 | Wages, salaries, and supplementary labour income | 350 | 390 | 437 | 503 | 551 | 591 |
| 6 | Other purchases of goods and services | 496 | 651 | 691 | 714 | 764 | 896 |
| 7 | Totals¹ | 846 | 1,041 | 1,128 | 1,217 | 1,315 | 1,487 |
| | Municipal: | | | | | | |
| 8 | Wages, salaries, and supplementary labour income | 668 | 745 | 841 | 962 | 1,112 | 1,232 |
| 9 | Other purchases of goods and services | 768 | 917 | 1,025 | 1,140 | 1,157 | 1,258 |
| 10 | Totals¹ | 1,436 | 1,662 | 1,866 | 2,102 | 2,269 | 2,490 |
| 11 | Grand totals | 4,792 | 5,386 | 5,722 | 6,173 | 6,416 | 6,716 |

¹ Include fixed capital formation by governments. The major portion of this fixed capital formation is in "other purchases of goods and services". A small portion of the total fixed capital formation is also in the line called "wages, salaries, and supplementary labour income" for work done by the governments' own work force. Fixed capital formation by levels of government is shown below:

| | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|---------------------|---------------------|--------------|--------------|--------------|--------------|--------------|
| | millions of dollars | | | | | |
| Federal | 297 | 379 | 365 | 360 | 407 | 378 |
| Provincial | 351 | 460 | 535 | 518 | 568 | 601 |
| Municipal | 386 | 421 | 482 | 511 | 548 | 609 |
| Totals | 1,034 | 1,260 | 1,382 | 1,389 | 1,523 | 1,588 |

TABLE 44. Government Transfer Payments Including Interest, 1955-60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| 1 | Family allowances | 378 | 394 | 423 | 470 | 487 | 502 |
| 2 | Re-establishment credits | 4 | 3 | 2 | 2 | 2 | 3 |
| 3 | Rehabilitation benefits | 2 | 1 | 1 | 1 | 1 | 1 |
| 4 | Pensions World Wars I and II ¹ | 119 | 119 | 128 | 137 | 137 | 136 |
| 5 | War veterans' allowances | 39 | 44 | 49 | 59 | 62 | 64 |
| 6 | Unemployment insurance benefits | 229 | 210 | 305 | 492 | 406 | 482 |
| 7 | Prairie farm assistance act | 33 | 5 | 2 | 21 | 21 | 25 |
| 8 | Pensions to government employees | 38 | 42 | 46 | 50 | 56 | 62 |
| 9 | Interest on the public debt | 494 | 524 | 519 | 544 | 678 | 756 |
| 10 | Old age security fund payments | 363 | 376 | 433 | 555 | 571 | 587 |
| 11 | Payments to western grain producers | | | | 39 | 2 | 40 |
| 12 | Grants to universities | | | 28 | 30 | | 29 |
| 13 | Assistance to immigrants | 27 | 30 | 14 | 9 | 2 | 2 |
| 14 | Miscellaneous | | | 32 | 39 | 48 | 50 |
| 15 | Totals | 1,726 | 1,748 | 1,982 | 2,448 | 2,473 | 2,739 |
| | Provincial: | | | | | | |
| 16 | Direct relief | 17 | 20 | 18 | 24 | 28 | 40 |
| 17 | Workmen's compensation benefits | 62 | 70 | 76 | 80 | 85 | 86 |
| 18 | Old age and blind pensions | 57 | 60 | 64 | 79 | 79 | 88 |
| 19 | Mothers' and disabled persons allowances | 33 | 37 | 48 | 68 | 73 | 80 |
| 20 | Pensions to government employees | 23 | 25 | 28 | 31 | 34 | 37 |
| 21 | Grants to private non-commercial institutions | 248 | 264 | 290 | 366 | 561 | 680 |
| 22 | Interest on the public debt | 97 | 105 | 114 | 118 | 129 | 143 |
| 23 | Miscellaneous | 23 | 24 | 40 | 41 | 37 | 50 |
| 24 | Totals | 560 | 605 | 678 | 807 | 1,026 | 1,204 |
| | Municipal: | | | | | | |
| 25 | Direct relief | 18 | 19 | 23 | 31 | 40 | 43 |
| 26 | Pensions to government employees | 7 | 7 | 6 | 10 | 7 | 9 |
| 27 | Grants to private non-commercial institutions | 17 | 16 | 20 | 19 | 19 | 20 |
| 28 | Interest on the public debt | 78 | 85 | 106 | 119 | 137 | 150 |
| 29 | Totals | 120 | 127 | 155 | 179 | 203 | 222 |
| 30 | Grand totals | 2,406 | 2,480 | 2,815 | 3,434 | 3,702 | 4,165 |

¹ Excludes pensions paid to non-residents, which are treated as government expenditure on goods and services. The amounts in the terminal years 1955 and 1960 were \$12 million and \$13 million, respectively.

TABLE 45. Subsidies, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|------------|------------|------------|------------|------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| | Agricultural: | | | | | | |
| 1 | Feed freight assistance, western grain | 16 | 17 | 17 | 19 | 22 | 20 |
| 2 | Hog premiums | 6 | 6 | 6 | 6 | 8 | 7 |
| 3 | Agricultural commodities stabilization board loss | 6 | 5 | 6 | 15 | 58 | 65 |
| 4 | Assistance re storage costs on grain | — | 44 | 32 | 37 | 42 | 46 |
| 5 | Miscellaneous | 2 | 1 | 2 | 4 | 2 | 3 |
| 6 | Totals | 30 | 73 | 63 | 81 | 132 | 141 |
| | Other subsidies: | | | | | | |
| 7 | Emergency gold mines assistance | 11 | 9 | 9 | 10 | 13 | 12 |
| 8 | Maritime Freight Rates Act | 11 | 12 | 12 | 15 | 14 | 14 |
| 9 | Movement of coal | 11 | 9 | 9 | 9 | 13 | 17 |
| 10 | Miscellaneous | 12 | 15 | 15 | 17 | 17 | 38 |
| 11 | Total other | 45 | 45 | 45 | 51 | 57 | 81 |
| 12 | Total federal subsidies | 75 | 118 | 108 | 132 | 189 | 222 |
| 13 | Total provincial subsidies | 7 | 5 | 8 | 7 | 9 | 12 |
| 14 | Grand totals | 82 | 123 | 116 | 139 | 198 | 234 |

TABLE 46. Transfers to Other Levels of Government, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| | Federal: | | | | | | |
| | To provinces: | | | | | | |
| 1 | Old age and blind pensions | 21 | 24 | 24 | 34 | 35 | 35 |
| 2 | Disabled persons allowances | 4 | 7 | 9 | 15 | 16 | 16 |
| 3 | Statutory grants | 20 | 20 | 21 | 21 | 21 | 21 |
| 4 | Taxation agreements ¹ | 329 | 359 | 362 | 421 | 464 | 507 |
| 5 | Health grants to provinces | 34 | 34 | 33 | 39 | 52 | 47 |
| 6 | Trans-Canada highway | 20 | 17 | 38 | 55 | 50 | 51 |
| 7 | Government contribution under the Hospital Insurance and Diagnostic Services Act | — | — | — | 17 | 130 | 171 |
| 8 | Unemployment assistance | — | 4 | 6 | 18 | 31 | 48 |
| 9 | Other | 15 | 11 | 12 | 20 | 54 | 68 |
| 10 | Sub-totals | 443 | 476 | 505 | 640 | 853 | 964 |
| | To municipalities: | | | | | | |
| 11 | Payments to municipalities | 7 | 9 | 16 | 22 | 20 | 27 |
| 12 | Totals | 450 | 485 | 521 | 662 | 873 | 991 |
| | Provincial: | | | | | | |
| 13 | To municipalities | 327 | 362 | 452 | 543 | 618 | 701 |
| | Municipal: | | | | | | |
| 14 | To provinces | 22 | 18 | 28 | 19 | 24 | 17 |
| 15 | Grand totals | 799 | 865 | 1,001 | 1,224 | 1,515 | 1,709 |

¹ These data are after deduction of refunds to the federal government by the provinces on account of Succession duty credits pursuant to the Tax Rental Agreements Act. These amounted to, in 1958 \$4 million, 1959 \$12 million and in 1960 \$3 million.

SECTION E

MISCELLANEOUS TABLES

TABLE 47. Personal Expenditure on Consumer Goods and Services, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------|--------|--------|--------|--------|
| | | millions of dollars | | | | | |
| 1 | Food | 4,236 | 4,571 | 4,951 | 5,236 | 5,470 | 5,632 |
| 2 | Tobacco and alcoholic beverages | 1,181 | 1,278 | 1,370 | 1,447 | 1,548 | 1,615 |
| 3 | Tobacco products and smokers' accessories | 480 | 527 | 570 | 628 | 690 | 729 |
| 4 | Alcoholic beverages | 701 | 751 | 800 | 819 | 858 | 886 |
| 5 | Clothing and personal furnishings | 1,900 | 2,037 | 2,098 | 2,179 | 2,262 | 2,320 |
| 6 | Men's and boys' clothing | 430 | 463 | 470 | 482 | 500 | 508 |
| 7 | Women's and children's clothing | 808 | 871 | 898 | 933 | 967 | 986 |
| 8 | Footwear | 231 | 242 | 252 | 269 | 284 | 297 |
| 9 | Laundry and dry cleaning | 142 | 156 | 166 | 172 | 180 | 195 |
| 10 | Other | 289 | 305 | 312 | 323 | 331 | 334 |
| 11 | Shelter ¹ | 2,454 | 2,621 | 2,906 | 3,166 | 3,451 | 3,634 |
| 12 | Gross rents paid by tenants | 694 | 729 | 797 | 858 | 923 | 977 |
| 13 | Expenses (taxes, insurance, etc.) paid by owner-occupants | 788 | 911 | 1,038 | 1,156 | 1,283 | 1,415 |
| 14 | Net imputed residential rent and imputed residential capital consumption allowances | 770 | 760 | 839 | 913 | 997 | 996 |
| 15 | Other | 202 | 221 | 232 | 239 | 248 | 246 |
| 16 | Household operation | 2,272 | 2,509 | 2,593 | 2,702 | 2,880 | 2,900 |
| 17 | Fuel | 358 | 415 | 425 | 423 | 442 | 425 |
| 18 | Electricity | 212 | 235 | 257 | 279 | 307 | 332 |
| 19 | Gas | 47 | 52 | 60 | 72 | 93 | 108 |
| 20 | Telephone | 188 | 221 | 241 | 257 | 285 | 310 |
| 21 | Furniture | 284 | 315 | 307 | 310 | 324 | 308 |
| 22 | Home furnishings | 224 | 245 | 251 | 259 | 275 | 274 |
| 23 | Appliances, radios and television sets | 460 | 491 | 489 | 494 | 512 | 491 |
| 24 | Other | 499 | 535 | 563 | 608 | 642 | 652 |
| 25 | Transportation | 2,023 | 2,211 | 2,346 | 2,512 | 2,714 | 2,768 |
| 26 | Street-car, railway and other fares | 317 | 338 | 368 | 378 | 402 | 412 |
| 27 | New automobiles, used automobiles (net) and house trailers | 1,018 | 1,090 | 1,092 | 1,130 | 1,235 | 1,279 |
| 28 | Automotive operating expenses | 688 | 783 | 886 | 1,004 | 1,077 | 1,077 |
| 29 | Personal and medical care and death expenses | 1,166 | 1,316 | 1,437 | 1,611 | 1,757 | 1,880 |
| 30 | Medical and dental care | 240 | 280 | 306 | 346 | 370 | 381 |
| 31 | Hospital care, private duty nursing, accident and sickness insurance, prepaid medical care | 440 | 490 | 546 | 626 | 708 | 796 |
| 32 | Other | 486 | 546 | 585 | 639 | 679 | 703 |
| 33 | Miscellaneous | 2,157 | 2,290 | 2,371 | 2,387 | 2,400 | 2,660 |
| 34 | Motion picture theatres ² | 86 | 81 | 77 | 75 | 68 | 66 |
| 35 | Newspapers and magazines | 182 | 184 | 196 | 212 | 226 | 233 |
| 36 | Net expenditure abroad | 156 | 204 | 204 | 236 | 253 | 259 |
| 37 | Other | 1,733 | 1,821 | 1,894 | 1,864 | 1,853 | 2,102 |
| 38 | Grand totals | 17,389 | 18,833 | 20,072 | 21,240 | 22,482 | 23,409 |
| 39 | Durable goods | 2,245 | 2,431 | 2,430 | 2,499 | 2,680 | 2,687 |
| 40 | Major durable goods ³ | 1,986 | 2,142 | 2,139 | 2,194 | 2,346 | 2,352 |
| 41 | Miscellaneous durable goods ⁴ | 259 | 289 | 291 | 305 | 334 | 335 |
| 42 | Non-durable goods ⁵ | 9,065 | 9,736 | 10,402 | 10,878 | 11,315 | 11,783 |
| 43 | Services ^{5,6} | 6,079 | 6,666 | 7,240 | 7,863 | 8,487 | 8,939 |

¹ Excludes transients' shelter.

² Excludes amusement taxes.

³ Includes house trailers, new automobiles, net expenditure on used automobiles, home furnishings, furniture and appliances, radios and television sets.

⁴ Includes jewellery, watches, clocks, silverware, toys, sporting and wheeled goods, and tools and garden equipment.

⁵ Beginning with the year 1955, the classification of the items electricity and gas (items 18 and 19 above) was changed from services to non-durable goods.

⁶ Includes net expenditure abroad.

TABLE 48. Personal Expenditure on Consumer Goods and Services in Constant (1949) Dollars, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|---------------|---------------|---------------|---------------|---------------|
| | | millions of dollars | | | | | |
| 1 | Food | 3,785 | 4,023 | 4,170 | 4,284 | 4,505 | 4,600 |
| 2 | Tobacco and alcoholic beverages | 1,109 | 1,198 | 1,265 | 1,328 | 1,371 | 1,409 |
| 3 | Clothing and personal furnishings | 1,744 | 1,855 | 1,904 | 1,953 | 2,021 | 2,051 |
| 4 | Shelter | 1,645 | 1,710 | 1,816 | 1,926 | 2,053 | 2,123 |
| 5 | Household operation ^{1,2} | 1,966 | 2,169 | 2,211 | 2,278 | 2,405 | 2,424 |
| 6 | Transportation | 1,817 | 1,928 | 1,929 | 2,041 | 2,159 | 2,192 |
| 7 | Personal and medical care and death expenses | 883 | 968 | 1,001 | 1,072 | 1,128 | 1,173 |
| 8 | Miscellaneous | 1,713 | 1,752 | 1,762 | 1,686 | 1,639 | 1,802 |
| 9 | Grand totals | 14,662 | 15,603 | 16,058 | 16,568 | 17,281 | 17,774 |
| 10 | Durable goods | 2,066 | 2,209 | 2,126 | 2,157 | 2,273 | 2,289 |
| 11 | Non-durable goods ^{1,2} | 8,187 | 8,705 | 9,047 | 9,288 | 9,632 | 9,957 |
| 12 | Services ^{1,2,3} | 4,409 | 4,689 | 4,885 | 5,123 | 5,376 | 5,528 |

¹ Personal expenditure on electricity and gas in constant (1949) dollars were as follows:

| 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|---------------------|------|------|------|------|------|
| millions of dollars | | | | | |
| 224 | 251 | 279 | 308 | 350 | 381 |

² See footnote 5, Table 47.

³ Includes net expenditure abroad.

TABLE 49. Imputed Items Included in Gross National Expenditure, 1955 - 60¹

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| | Expenditure on consumer goods and services: | | | | | | |
| | Food: | | | | | | |
| 1 | Farm consumed farm produce | 179 | 170 | 168 | 173 | 170 | 170 |
| 2 | Other ² | 95 | 103 | 107 | 101 | 104 | 109 |
| | Shelter: | | | | | | |
| 3 | Imputed net residential rent and imputed residential capital consumption allowances | 770 | 760 | 839 | 913 | 997 | 996 |
| 4 | Imputed lodging, non-residential ³ | 29 | 33 | 38 | 38 | 38 | 40 |
| 5 | Other* | 153 | 159 | 178 | 184 | 191 | 200 |
| 6 | Total of imputed items in consumer expenditure | 1,226 | 1,225 | 1,330 | 1,409 | 1,500 | 1,515 |
| | Government expenditure on goods and services: | | | | | | |
| 7 | Imputed gross rent on government-owned buildings | 168 | 181 | 194 | 207 | 220 | 235 |
| 8 | Total of imputed items | 1,394 | 1,406 | 1,524 | 1,616 | 1,720 | 1,750 |

¹ All these items are also included in the various components of Gross National Product.

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 without specific charge.

TABLE 50. Analysis of Corporation Profits, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Corporation profits before taxes ¹ | 2,570 | 2,908 | 2,581 | 2,518 | 2,907 | 2,735 |
| 2 | Add: Dividends paid to non-residents | 395 | 437 | 475 | 470 | 494 | 465 |
| 3 | Corporation profits including dividends paid to non-residents | 2,965 | 3,345 | 3,056 | 2,988 | 3,401 | 3,200 |
| 4 | Deduct: Corporation income tax liabilities ² | -1,272 | -1,413 | -1,337 | -1,300 | -1,541 | -1,449 |
| 5 | <i>Excess of tax liabilities over collections</i> | 163 | 40 | - 213 | - 36 | 101 | - 223 |
| 6 | <i>Tax collections</i> | 1,109 | 1,373 | 1,550 | 1,336 | 1,440 | 1,672 |
| 7 | Corporation profits after taxes | 1,693 | 1,932 | 1,719 | 1,688 | 1,860 | 1,751 |
| 8 | Deduct: Dividends paid to non-residents | - 395 | - 437 | - 475 | - 470 | - 494 | - 465 |
| 9 | Corporation profits retained in Canada | 1,298 | 1,495 | 1,244 | 1,218 | 1,366 | 1,286 |
| 10 | Deduct: Dividends paid to Canadian persons | - 307 | - 330 | - 354 | - 368 | - 403 | - 422 |
| 11 | Charitable contributions from corporations | - 29 | - 34 | - 36 | - 38 | - 40 | - 40 |
| 12 | Undistributed corporation profits | 962 | 1,131 | 854 | 812 | 923 | 824 |

¹ Line 1 is identical with the total shown in Table 1 and represents corporation profits before taxes on a national concept basis. As dividends paid to non-residents - which must be excluded on a national concept basis - are really a distribution of profits, it is necessary to add them back to arrive at a figure of total profits as such - line 3. Lines 4 to 12 provide an analytical breakdown of line 3. For an industrial distribution of total profits (line 3) see Table 27.

² Includes elective tax on undistributed income of \$8 million in 1955.

TABLE 51. Capital Consumption Allowances and Miscellaneous Valuation Adjustments by "Form of Organization", 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Corporations | 1,733 | 1,976 | 2,242 | 2,120 | 2,254 | 2,330 |
| 2 | Individuals and unincorporated business | 1,281 | 1,366 | 1,431 | 1,457 | 1,497 | 1,539 |
| 3 | Government business enterprises | 252 | 300 | 336 | 353 | 392 | 422 |
| 4 | Capital consumption allowances and miscellaneous valuation adjustments¹ | 3,266 | 3,642 | 4,009 | 3,930 | 4,143 | 4,291 |

¹ Including net bad debt allowances (charges less recoveries) as follows:

| 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|---------------------|------|------|------|------|------|
| millions of dollars | | | | | |
| 40 | 41 | 43 | 46 | 48 | 49 |

SECTION F

RECONCILIATION STATEMENTS

TABLE 52. Accrued Net Income of Farm Operators from Farm Production, 1955 - 60
Reconciliation Statement

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Net income of farm operators from farming operations ¹ | 1,290 | 1,458 | 1,058 | 1,338 | 1,206 | 1,352 |
| 2 | Deduct: Amounts included in investment income ² | -45 | -46 | -47 | -53 | -54 | -53 |
| 3 | Deduct: Transfer payments under Prairie Farm Assistance Act payments to western grain producers ³ and payments under the Federal-Provincial un-threshed grain assistance policy..... | -33 | -5 | -2 | -60 | -22 | -77 |
| 4 | Other adjustments ⁴ | -12 | 23 | 17 | -27 | 6 | -21 |
| 5 | Equals: Net income received by farm operators from farm production | 1,200 | 1,430 | 1,026 | 1,198 | 1,136 | 1,201 |
| 6 | Adjustment on grain transactions ⁵ | 64 | 20 | - | -1 | -4 | 6 |
| 7 | Accrued net income of farm operators from farm production⁶ | 1,264 | 1,450 | 1,026 | 1,197 | 1,132 | 1,207 |

¹ These figures are published by the Agriculture Division, Dominion Bureau of Statistics.

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 These adjustments consist of an estimate of net income of farm operators from farming operations in Newfoundland and an adjustment for the difference in the valuation of the physical change in inventories. The Agriculture Division values the change in the quantity of farm held grain at average annual prices, whereas the National Accounts estimates value this quantity change each quarter in terms of average quarterly prices. In addition, revisions have been made which have not yet been incorporated by the Agriculture Division.

⁵ Since the National Income measures earnings arising 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 has been made to take account of the accrued earnings of farm operators arising out of the operations of the Canadian Wheat Board.

⁶ See also line 5, Table 1.

TABLE 53. Federal Government Surplus or Deficit, 1955 - 60
Reconciliation of Federal Government Transactions Related to the National Accounts with Public Accounts Data, 1955 - 60

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|------------|------------|-------------|-------------|-------------|
| | | millions of dollars | | | | | |
| 1 | Surplus or deficit as per Public Accounts, 1954-55 to 1959-60 ¹ | -152 | -33 | 258 | -38 | -609 | -413 |
| 2 | Difference between fiscal and calendar year ² | 11 | 305 | -73 | -409 | 34 | 75 |
| 3 | Extra-budgetary receipts, pension and social insurance funds ³ | 700 | 790 | 859 | 869 | 1,017 | 1,216 |
| 4 | Excess of corporation tax accruals over collections..... | 163 | 40 | -213 | -36 | 101 | -223 |
| 5 | Revenue items omitted..... | -21 | -37 | -68 | -22 | -23 | -17 |
| 6 | Extra-budgetary expenditures, pension and social insurance funds..... | -663 | -633 | -787 | -1,118 | -1,054 | -1,156 |
| 7 | Reserves, write-offs and similar items charged to expenditures..... | 104 | 118 | 247 | 219 | 253 | 62 |
| 8 | Shipment of previously produced military equipment to NATO (less expenditures of defence equipment replacement account)..... | -2 | -22 | -32 | -188 | -36 | - |
| 9 | Other adjustments..... | 36 | 16 | 58 | -52 | -45 | 45 |
| 10 | Surplus or deficit as per National Accounts | 176 | 544 | 249 | -775 | -362 | -411 |

¹ Source: Public Accounts of the Federal Government.

² 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 1956-57 includes only January to March 1957, the balance of the fiscal year being in the calendar year 1956. An adjustment is therefore necessary to the fiscal figures to exclude the nine months which apply to the calendar year 1956, and to include the nine months of the calendar year 1957 not covered by the 1956-57 fiscal year.

³ Includes the portion of the personal income tax, the corporation income tax and the sales tax allocated to the old age security fund.

TABLE 54. Business Gross Fixed Capital Formation, 1955 - 60
Reconciliation Statement

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| 1 | Total private and public investment in Canada¹ | 6,244 | 8,034 | 8,717 | 8,364 | 8,417 | 8,200 |
| 2 | Deduct: New residential construction by governments ^{2,3} | - 19 | - 21 | - 21 | - 19 | - 18 | - 13 |
| 3 | New non-residential construction by governments ³ | -924 | -1,137 | -1,251 | -1,237 | -1,368 | -1,431 |
| 4 | New machinery and equipment outlays by governments ³ | - 91 | - 102 | - 110 | - 133 | - 137 | - 144 |
| 5 | Business gross fixed capital formation | 5,210 | 6,774 | 7,335 | 6,975 | 6,894 | 6,612 |

¹ As presented in the publication *Private and Public Investment in Canada, 1946-1957* and *Private and Public Investment, Outlook 1960 and 1961*.

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 36, National Housing Act), which are included in line 5.

³ Included in "government fixed capital formation", line 4, Table 2.

TABLE 55. Exports and Imports of Goods and Services, 1955 - 60¹
Reconciliation Statement

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|--|---------------------|--------------|--------------|--------------|--------------|--------------|
| | | millions of dollars | | | | | |
| | Exports of goods and services: | | | | | | |
| 1 | Merchandise exports | 4,332 | 4,837 | 4,894 | 4,887 | 5,149 | 5,400 |
| 2 | Gold production available for export | 155 | 150 | 147 | 160 | 148 | 161 |
| 3 | Interest and dividends received from non-residents | 160 | 142 | 154 | 168 | 183 | 175 |
| 4 | Other receipts from services rendered to non-residents | 1,425 | 1,492 | 1,427 | 1,364 | 1,368 | 1,366 |
| 5 | Sub-total: "Current receipts" as per <i>Canadian Balance of International Payments</i> | 6,072 | 6,621 | 6,622 | 6,579 | 6,848 | 7,102 |
| 6 | Adjustments - Mutual aid to NATO countries | -222 | -157 | -107 | -142 | - 63 | - 43 |
| 7 | Inheritances and immigrants' funds | - 86 | - 99 | -124 | - 97 | -109 | -102 |
| 8 | Total "exports of goods and services" as per National Accounts² | 5,764 | 6,365 | 6,391 | 6,340 | 6,676 | 6,957 |
| | Imports of goods and services: | | | | | | |
| 9 | Merchandise imports | 4,543 | 5,565 | 5,488 | 5,066 | 5,572 | 5,548 |
| 10 | Interest and dividends paid to non-residents | 483 | 523 | 589 | 612 | 657 | 655 |
| 11 | Other payments for services rendered by non-residents | 1,744 | 1,899 | 2,000 | 2,032 | 2,113 | 2,169 |
| 12 | Sub-total: "Current payments" as per <i>Canadian Balance of International Payments</i> | 6,770 | 7,987 | 8,077 | 7,710 | 8,342 | 8,372 |
| 13 | Adjustments - Mutual aid to NATO countries | -222 | -157 | -107 | -142 | - 63 | - 43 |
| 14 | Inheritances and emigrants' funds | -105 | -115 | -157 | -145 | -164 | -181 |
| 15 | Total "imports of goods and services" as per National Accounts² | 6,443 | 7,715 | 7,813 | 7,423 | 8,115 | 8,148 |

¹ Data sources are reports on the *Canadian Balance of International Payments* (Balance of Payments Section, Dominion Bureau of Statistics) and other information received from the Balance of Payments Section. Figures include mutual aid to NATO countries.

² See also Table 2.

APPENDIX

TABLE I. Population of Canada, by Provinces, 1955 - 60
Estimated as of June 1 for Intercensal Years

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|-----------------------------|-----------|--------|--------|--------|--------|--------|
| | | thousands | | | | | |
| 1 | Newfoundland | 406 | 415 | 426 | 438 | 449 | 459 |
| 2 | Prince Edward Island | 100 | 99 | 99 | 100 | 102 | 103 |
| 3 | Nova Scotia | 683 | 695 | 702 | 710 | 716 | 723 |
| 4 | New Brunswick | 547 | 555 | 565 | 577 | 590 | 600 |
| 5 | Quebec | 4,517 | 4,628 | 4,758 | 4,884 | 4,999 | 5,106 |
| 6 | Ontario | 5,266 | 5,405 | 5,622 | 5,803 | 5,952 | 6,089 |
| 7 | Manitoba | 839 | 850 | 860 | 870 | 885 | 899 |
| 8 | Saskatchewan | 878 | 881 | 879 | 888 | 902 | 910 |
| 9 | Alberta | 1,091 | 1,123 | 1,160 | 1,201 | 1,243 | 1,283 |
| 10 | British Columbia | 1,342 | 1,399 | 1,487 | 1,544 | 1,570 | 1,606 |
| 11 | Yukon | 11 | 12 | 12 | 13 | 13 | 14 |
| 12 | Northwest Territories | 18 | 19 | 19 | 20 | 21 | 22 |
| 13 | Canada | 15,698 | 16,081 | 16,589 | 17,048 | 17,442 | 17,814 |

TABLE II. The Civilian Labour Force, 1955 - 60¹

| Line No. | | 1955 | 1956 | 1957 | 1958 | 1959 | 1960 |
|----------|---|--------------|--------------|--------------|--------------|--------------|--------------|
| | | thousands | | | | | |
| 1 | Civilian non-institutional population, 14 years of age and over | 10,597 | 10,805 | 11,108 | 11,357 | 11,562 | 11,789 |
| | Civilian labour force: | | | | | | |
| | Employed: | | | | | | |
| 2 | Non-agricultural | 4,546 | 4,809 | 4,981 | 4,983 | 5,163 | 5,280 |
| 3 | Agricultural | 819 | 776 | 744 | 712 | 692 | 675 |
| 4 | Total employed | 5,364 | 5,585 | 5,725 | 5,695 | 5,856 | 5,955 |
| 5 | Unemployed | 245 | 197 | 278 | 432 | 373 | 448 |
| 6 | Total civilian labour force | 5,610 | 5,782 | 6,003 | 6,127 | 6,228 | 6,403 |

¹ Incorporates new definitions of "Employed" and "Unemployed". For earlier years see 71-001 *The Labour Force* (Special Surveys Division, Dominion Bureau of Statistics).

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