

relative changes in the proportion of government revenue represented by direct and indirect taxes (Table 6); and changing consumer preferences as revealed by the composition of personal expenditure (Table 8).

Current Perspective.—Gross National Product and National Income.—

Gross national product in 1952 was estimated at \$23,011,000,000, a 7-p.c. increase over the 1951 total of \$21,450,000,000. Some of this increase resulted from a general increase in the prices at which the total output of goods and services was valued. After having made allowance for these price changes, however, there remained an increase in total real output of 6 p.c. Further comment is made below on the manner in which this increase in real output was absorbed by major groups such as consumers, governments and businesses (for investment purposes). The increase in total output was accompanied by a gain of 1 p.c. in the employed labour force. There was a continuation of the shift from agricultural to non-agricultural pursuits, so that the increase in the employed non-agricultural labour force exceeded the over-all increase.

National income in 1952 was estimated at \$18,135,000,000, an increase of 6 p.c. over the preceding year. Wages, salaries and supplementary labour income, the largest component of national income, amounted to \$10,743,000,000, a gain of 11 p.c. over 1951, while investment income, which consists of corporation profits, interest and net rental income received by persons, government investment income and a number of other items, showed little change from 1951. In the unincorporated business sector, there was a sharp decline of 8 p.c. in accrued net income of farm operators from farm production, the result of lower gross income and higher operating expenses. On the other hand, net income of non-farm unincorporated business, which includes unincorporated retailers, unincorporated manufacturing establishments, professionals and unincorporated service establishments, increased slightly.

1.—National Income and Gross National Product, Selected Years, 1929-52

(Millions of dollars)

Item	1929	1933	1939	1944	1946	1950 ¹	1951	1952
Wages, salaries and supplementary labour income.....	2,929	1,778	2,575	4,940	5,323	8,311	9,676	10,743
Military pay and allowances.....	8	8	32	1,068	340	137	201	270
Investment income.....	836	299	917	1,829	1,975	3,155	3,642	3,666
Net Income of Unincorporated Business—								
Accrued net income of farm operators from farm production....	408	74	385	1,185	1,112	1,503	2,106	1,934
Net income of non-farm unincorporated business.....	608	293	464	804	1,071	1,444	1,503	1,522
Net National Income at Factor Cost.....	4,789	2,452	4,373	9,826	9,821	14,550	17,128	18,135
Indirect taxes less subsidies.....	681	537	733	1,111	1,269	2,018	2,468	2,687
Depreciation allowances and similar business costs.....	709	547	610	957	903	1,636	1,889	2,070
Residual error of estimate.....	-13	16	-9	60	33	-1	-35	119
Gross National Product at Market Prices.....	6,166	3,552	5,707	11,954	12,026	18,203	21,450	23,011

¹ Newfoundland included for 1950 and subsequent years.