

CHAPTER XXV.—NATIONAL ACCOUNTS AND RELATED STATISTICS

CONSPECTUS

	PAGE		PAGE
SECTION 1. NATIONAL ACCOUNTS.....	1167	SECTION 3. CORPORATION PROFITS AND INCOME TO SHAREHOLDERS.....	1182
SECTION 2. CANADA'S INTERNATIONAL INVESTMENT POSITION.....	1177	SECTION 4. FEDERAL INCORPORATION OF COMPANIES.....	1185

NOTE.—*The interpretation of the symbols used in the tables throughout the Year Book will be found facing p. 1 of this volume.*

Section 1.—National Accounts*

The national accounts constitute a set of accounting summaries for the nation as a whole and portray economic activity in terms of transactions taking place between different sections of the economy. By combining and summarizing these operations into their various classes, information can be obtained on the functioning of the economy which is of particular interest to governments concerned with problems of full employment, taxation and prices, and to businessmen concerned with programs of investment and marketing.

This measurement of the nation's output is in terms of established market prices; hence it is necessary to keep in mind that the value of the nation's production may change because of price variations as well as because of changes in the volume of output.

Data are now available showing volume changes in gross national expenditure, in addition to the value figures. Gross national expenditure is shown in Table 3 in constant dollars (i.e., in terms of average prices prevailing in the period 1935-39). Because the gross national expenditure equals the gross national product, these data also reflect volume changes in the production of goods and services as measured by the gross national product. For all other tables the data are expressed in current dollars so that year-to-year changes must be considered in relation to price changes over the period.

An additional stage in the development of the present accounting framework was the publication, in 1953, of the national accounts on a quarterly basis.† These quarterly estimates are a logical extension of the annual national accounts, but the task of preparing them on a reliable and analytically useful basis is rather more difficult because of the scarcity of quarterly data, special problems arising from the measurement of farm production, and problems in connection with seasonal variation.

The tables in this Section cover the more important aspects of the national income analysis in annual terms. Tables 1 and 2 show the main aggregates of national income, gross national product, gross national expenditure and their

* Prepared in the Research and Development Division, Dominion Bureau of Statistics.

† DBS publication, *National Accounts, Income and Expenditure, by Quarters, 1947-1952*, and quarterly reports thereafter.