

3.—Gross National Expenditure in Constant (1935-39) Dollars 1939-54

(Millions of dollars)

Item	1939	1944	1946	1950 ¹	1951	1952 [*]	1953 [*]	1954
Personal expenditure on consumer goods and services.....	3,820	5,030	6,189	7,022	6,978	7,382	7,796	7,998
Government expenditure on goods and services.....	742	4,001	1,484	1,375	1,713	2,149	2,137	2,063
Gross Domestic Investment—								
New residential construction.....	180	150	225	340	290	284	372	407
New non-residential construction.....	164	204	330	554	606	699	738	726
New machinery and equipment.....	247	298	467	784	890	969	1,031	849
Change in inventories.....	338	-77	226	303	453	220	284	-120
Exports of goods and services.....	1,494	2,614	2,079	2,027	2,215	2,448	2,440	2,344
Deduct: Imports of goods and services.....	-1,330	-2,450	-1,930	-2,095	-2,342	-2,426	-2,637	-2,508
Residual error of estimate and adjusting entries.....	+ 9	-49	-25	+20	+132	-48	-27	-34
Gross National Expenditure in Constant Dollars..	5,664	9,721	9,045	10,330	10,935	11,677	12,134	11,725

¹ Newfoundland included from 1950.

Personal Income, Expenditure and Saving.—Although earnings from current production, as measured by the national income tabulations, were lower in 1954 (reflecting mainly the drop in accrued net income of farm operators and in corporation profits), the flow of income payments to persons was maintained and personal income amounted to \$18,173,000,000, a figure slightly higher than that for 1953. This stability in personal income resulted from the fact that labour income and interest and net income of persons were higher in 1954 and that, despite a drop in corporation profits, dividend payments to persons increased somewhat. Furthermore there was also a substantial increase in transfer payments from government, particularly in unemployment insurance benefits; transfer payments of \$1,601,000,000 in 1954 compared with \$1,460,000,000 in 1953.

As personal direct taxes remained at about the same level in 1954, personal disposable income, which amounted to \$16,747,000,000, was maintained in that year. Personal savings dropped to \$1,071,000,000 from \$1,600,000,000 in 1953 and constituted 6.4 p.c. of personal disposable income compared with 9.6 p.c. in 1953. With stability in income and a decline in the proportion of income saved, personal expenditure on consumer goods and services continued its upward trend.

4.—Sources of Personal Income 1939-54

(Millions of dollars)

Item	1939	1944	1946	1950 ¹	1951	1952 [*]	1953 [*]	1954
Wages, salaries and supplementary labour income.....	2,575	4,940	5,323	8,311	9,716	10,868	11,706	11,989
Deduct: Employer and employee contributions to social insurance and government pension funds.....	-35	-133	-149	-256	-329	-358	-390	-395
Military pay and allowances.....	32	1,068	340	137	201	270	309	367
Net income received by farm operators from farm production.....	435	1,206	1,090	1,402	2,108	1,882	1,658	1,085

For footnote, see end of table, p. 1091.