

This expansion in output was associated with a 5-p.c. increase in the number of persons with jobs in the non-agricultural sector of the economy. The magnitude of this increase was accounted for by a drop in unemployment, an unusually large growth in the labour force and a further decline in farm employment. Higher average earnings, up 5 p.c., were somewhat more important than increased employment in raising labour income to \$14,719,000,000, an increase of 11 p.c. over the previous year.

Accrued net income of farm operators from farm production in 1956 was \$1,468,000,000, a gain of 16 p.c. over the previous year; the rise in farm cash income was somewhat smaller. As in 1955, the rise mainly reflected a larger grain crop. Net income of non-farm unincorporated business was higher by 8 p.c.; retail trade and construction were again prominent among the industries registering increases.

Corporate profits were \$2,802,000,000 in 1956 compared with \$2,489,000,000 in 1955, though the rate of increase was significantly lower than in the earlier year. Other investment income was also higher.

1.—National Income and Gross National Product 1939-56

NOTE.—Figures in this table have been completely revised since the publication of the 1956 Year Book.

(Millions of dollars)

Item	1939	1944	1946	1950 ¹	1953	1954	1955	1956
Wages, salaries and supplementary labour income.....	2,601	4,998	5,487	8,629	12,110	12,432	13,215	14,719
Military pay and allowances.....	32	1,068	340	137	309	367	394	424
Corporation profits before taxes.....	521	1,081	1,269	2,118	2,294	1,963	2,489	2,802
Rent, interest, and miscellaneous investment income.....	301	589	581	890	1,329	1,511	1,748	1,964
Accrued net income of farm operators from farm production.....	362	1,088	1,056	1,322	1,575	1,017	1,261	1,468
Net income of non-farm unincorporated business.....	475	811	1,072	1,439	1,688	1,656	1,793	1,937
Inventory valuation adjustment.....	-56	-52	-254	-374	-11	86	-217	-260
Net National Income at Factor Cost...	4,236	9,583	9,551	14,161	19,294	19,032	20,683	23,054
Indirect taxes less subsidies.....	734	1,112	1,270	2,000	2,911	2,947	3,238	3,601
Capital consumption allowance and miscellaneous valuation adjustments.....	637	1,005	998	1,913	2,673	2,905	3,163	3,492
Residual error of estimate.....	29	150	31	-68	142	-13	-14	-49
Gross National Product at Market Prices.....	5,636	11,850	11,850	18,006	25,020	24,871	27,070	30,098

¹ Newfoundland included from 1950.

Gross National Expenditure.—The major expansionary force in the economy in 1955 was consumer expenditure, together with housing; these two closely related sectors accounted for about two-thirds of the increase in gross national expenditure in that year. At the same time, expansionary influences were present in every other major segment of demand.

Personal income was up 8 p.c. and, since consumer prices remained virtually unchanged, there was a parallel rise in real income; on a per capita basis, the gain was the largest of any postwar year. Consumer expenditure also rose 8 p.c., with an especially large increase in purchases of durables, which were up 16 p.c. Gains were also widespread in non-durable groups and in services. The rise in personal income, together with a larger supply of mortgage funds, was reflected in rising expenditures on housing; 138,366 housing units were started during the year and 127,929 units completed, representing substantial increases