

CHAPTER XXII.—NATIONAL ACCOUNTS, SURVEY OF PRODUCTION AND INTERNATIONAL INVESTMENTS

CONSPECTUS

	PAGE		PAGE
SECTION 1. NATIONAL ACCOUNTS.....	1082	SECTION 3. CANADA'S INTERNATIONAL INVEST- MENT POSITION.....	1100
SECTION 2. SURVEY OF PRODUCTION.....	1095		

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 may 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 through increase or decrease in volume of output.

Data are available showing volume changes in gross national expenditure in addition to the value figures. Gross national expenditure is shown in Table 4 in constant dollars (i.e., in terms of 1949 prices). 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.

National accounts calculated on a quarterly basis are a logical extension of the annual national accounts and have been published since 1953. However, their preparation 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. Table 1 gives total gross national product in current and constant dollars for the years 1926-60. Tables 2 and 3 show the main aggregates of national income, gross national product, gross national expenditure and their components; other tables are included to show the source and disposition of personal income, government revenue and expenditure and personal expenditure on consumer goods and services.

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