

# CHAPTER XXIV.—TRENDS IN ECONOMIC AGGREGATES\*

## CONSPECTUS

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*The interpretation of the symbols used in the tables throughout the Year Book will be found on p. viii of this volume.*

In this Chapter various statistical statements and studies are presented in which broad areas of Canadian economic activity are covered in a comprehensive but summary form. These integrated aggregative economic accounts provide an interrelated framework for economic analysis and the observation of changes in the functioning of the Canadian economy and its structure and in economic and financial relationships with other countries.

### 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 business men 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. In the other tables in which the data are expressed in current dollars, year-to-year changes must be considered in relation to price changes over the period.

The tables on pp. 1018-1022 cover the more important aspects of the national income analysis in annual terms. Definitions are as follows:—

*National Income.*—Net national income at factor cost measures the current earnings of Canadian factors of production (i.e., land, labour, capital) from productive activity. It includes wages and salaries, profits, interest, net rent and net income of farm and non-farm unincorporated business.

\* Sections 1-4 were prepared in the National Accounts and Balance of Payments Division, Dominion Bureau of Statistics, and Sections 5 and 6 by the authorities concerned.