

**Economic Activity in the First Nine Months of 1966**

For the first nine months of 1966, gross national product advanced 11.3 p.c. over the same period in 1965. Although this rate of advance in the value of GNP was higher than the 9.7 p.c. recorded in the full year 1965, in real terms the increases were 6.6 p.c. for both periods because of some acceleration in the rate of price rise. Within the year 1966, quarter-to-quarter increases in GNP became successively smaller, ranging from an unusually strong first-quarter advance of 4.5 p.c. to a third-quarter advance of 0.7 p.c.

In the nine-month comparison, final demand increased at a slightly greater rate than did the value of production and, as a consequence, there was an advance in imports of over 14 p.c. The strength in demand was broadly based, extending to all categories other than new housing, which increased only 4½ p.c. In contrast, business expenditures on plant and equipment rose 19 p.c., exports 17 p.c., government expenditures 15 p.c. and consumer spending 9 p.c.

Advances in the income components were more diverse; labour income increased 13 p.c. but profits showed virtually no change. Accrued net farm income rose 43 p.c. but net income of the unincorporated business sector increased only 3 p.c.

**1.—Gross National Product, in Current and Constant (1949) Dollars, 1937-65**

NOTE.—Comparable figures for 1927-36 are given in the 1965 Year Book, p. 1009.

Year	Millions of Current Dollars	Millions of Constant (1949) Dollars	Year	Millions of Current Dollars	Millions of Constant (1949) Dollars
1937.....	5,257	8,820	1952.....	23,895	20,027
1938.....	5,278	8,871	1953.....	25,020	20,794
1939.....	5,636	9,536	1954.....	24,571	20,186
1940.....	6,743	10,911	1955.....	27,132	21,920
1941.....	8,328	12,496	1956.....	30,585	23,811
1942.....	10,327	14,816	1957.....	31,909	24,117
1943.....	11,088	15,357	1958.....	32,894	24,397
1944.....	11,850	15,927	1959.....	34,915	25,242
1945.....	11,835	15,552	1960.....	36,287	25,849
1946.....	11,850	15,251	1961.....	37,471	26,515
1947.....	13,165	15,446	1962.....	40,575	28,287
1948.....	15,120	15,735	1963.....	43,424	29,740
1949.....	16,343	16,343	1964.....	47,403	31,663
1950.....	18,606	17,471	1965.....	51,996	33,770
1951.....	21,170	18,547			

**2.—National Income and Gross National Product, by Component, 1961-65**

NOTE.—Comparable figures for the years 1939, 1944, 1946, 1950 and 1953 are given in the 1957-58 Year Book, p. 1122, and for later years in succeeding editions.

(Millions of dollars)

Item	1961	1962 <sup>1</sup>	1963 <sup>1</sup>	1964 <sup>1</sup>	1965
Wages, salaries and supplementary labour income.....	18,996	20,233	21,547	23,433	26,033
Military pay and allowances.....	550	556	598	583	587
Corporation profits before taxes <sup>1</sup> .....	2,841	3,235	3,574	4,106	4,448
Rent, interest and miscellaneous investment income.....	2,670	2,832	3,078	3,262	3,554
Accrued net income of farm operators from farm production <sup>2</sup> .....	1,003	1,496	1,721	1,464	1,645
Net income of non-farm unincorporated business <sup>2</sup> .....	2,274	2,401	2,551	2,720	2,877
Inventory valuation adjustment.....	-89	-130	-200	-131	-325
<b>Net National Income at Factor Cost.....</b>	<b>28,250</b>	<b>30,653</b>	<b>32,869</b>	<b>35,437</b>	<b>38,819</b>
Indirect taxes less subsidies.....	4,606	5,293	5,600	6,372	7,172
Capital consumption allowances and miscellaneous valuation adjustments.....	4,540	4,892	5,193	5,600	6,110
Residual error of estimate.....	-15	-263	-243	-6	-105
<b>Gross National Product at Market Prices.....</b>	<b>37,471</b>	<b>40,575</b>	<b>43,424</b>	<b>47,403</b>	<b>51,996</b>

<sup>1</sup> Excludes dividends paid to non-residents, net income of independent professional practitioners.

<sup>2</sup> Includes changes in farm inventories.

<sup>3</sup> Includes