

goods purchased from other industries are known in addition to a proper measurement of producers' value (output) and purchasers' value (input). (See gross domestic product at factor cost for equivalent.)

Gross domestic product at market prices is defined as gross domestic product at factor cost plus an adjustment for the residual error of estimate and indirect taxes less subsidies.

Gross domestic product at factor cost. This can be calculated in three ways from the data collected by the 1971 Census of Merchandising and Service Businesses, as follows. (a) The measurement of gross domestic product (GDP) at factor cost can be obtained via the "census value added" approach, since such costs as advertising, insurance, repairs, communications, etc., purchased from other businesses can be deducted from the census value added of each industry (the latter already excludes major indirect taxes such as sales and excise taxes). The residual would then consist — after adjustment for other indirect taxes and subsidies — of factor incomes and capital consumption allowances (primary inputs) and would represent GDP originating in each industry. (b) The sum of the incomes accruing from production and depreciation; these include salaries and wages, employee benefits (supplementary labour income), net profit or income (before taxes) and depreciation (gross national income). (c) Gross domestic product is measured at constant prices (called real domestic product) as well as current prices. Real domestic product is obtained by deducting intermediate inputs at constant prices from gross outputs at constant prices. These data on real domestic product are also used to calculate labour productivity measures.

Personal income is broadly defined as the measurement of all income received by Canadian residents such as: factor incomes of persons; transfer payments received by persons such as family allowances and unemployment insurance benefits; and charitable donations which are treated as a current transfer from business to persons.

Productivity of labour. A measurement of the productivity of labour may be calculated by adjusting gross domestic product at factor cost through the use of the double-deflation technique to provide deflated real output. The result divided by the total man-hours employed equals a measure of the productivity of labour.

A measure of output per unit of labour input is obtained by matching real domestic product and corresponding labour inputs expressed in terms of man-hours or persons employed.

Sectoring. The allocation of data by form of organization provides information on the institutional arrangement of the Canadian economy in relation to the sectors. A full set of National Accounts must distinguish among various sectors of the economy and must account for assorted types of transactions undertaken by and/or between classes of transactors. Four broadly distinguishable classes of transactors can be identified whose economic motivations and behaviour are relatively homogeneous within each class, but essentially quite different from one class to the next. These are: persons, governments, businesses, and non-residents (i.e., the rest of the world).

Commodities in the measurement of personal expenditure on consumer goods and services. Personal expenditures on goods and services by type are obtained by aggregating the sales of various kinds of commodities, including both goods and services. Commodity sales estimates are based on commodity data derived from the Census of Merchandising and Service Businesses. These commodities or commodity groupings are further classified into durable, semi-durable and non-durable goods and the service component.

Weighting patterns through commodities. Weighting patterns are developed for the construction of appropriate indices, using retail commodity sales as the input at the finest level of detail.

Industrial distribution by industry of origin. An industry is defined as a group of operating units engaged in the same or a similar kind of economic activity. By classifying each operating unit to a particular industry, it becomes possible to illustrate the contribution of each industry to the input or output being measured.

17.4.1.2 Private sector

In addition to the detailed information obtained at the establishment or reporting unit level (for the provinces and Canada), a separate questionnaire obtained supplementary data