

Section I

The 2004 to 2007 revisions of the Income and Expenditure Accounts

Introduction

Revised estimates of the Income and Expenditure Accounts (IEA) covering the period 2004 to 2007 have been released along with those for the first quarter of 2008. These revised estimates incorporate the most current source data and seasonal patterns.

Revision schedule

The annual revision process is integrated within the Canadian System of National Accounts, with revised estimates of the *National Income and Expenditure Accounts (catalogue no. 13-001)*, *Financial Flow Accounts (catalogue no. 13-014)*, and the *Canadian Balance of International Payments (catalogue no. 67-001)*, compiled and released together. For example, updated estimates of detailed financial transactions underlying gross domestic product (GDP) are harmonized with revised estimates of sector incomes and outlays. In addition, revised estimates of the *National Balance Sheet Accounts (catalogue no. 13-214)*, are released about two weeks later, based largely on the updated sources of financial and capital transactions as well as on estimates of capital gains/losses implicit in the stock estimates.

The integration of GDP estimates by component occurs through compiling Input-Output Tables in current prices for the first two years of the four year revision period. These data are released in the fall of each year when the full provincial Input-Output Accounts are completed. Corresponding revisions to the monthly estimates of real gross domestic product by industry are released in September. Industry-based estimates are integrated annually, at the time of the first quarter with the income and expenditure based measures of GDP. Revisions to the more recent two years of the four year revision cycle arise due to updated sub-annual and annual sources of information.

Statistical revisions are carried out regularly in the Canadian System of National Accounts in order to incorporate the most current information from censuses, annual surveys, taxation statistics, public accounts, etc. In principle, the revision schedule for the IEA is as follows: the first estimate for a given quarter is released approximately 60 days after the end of the reference quarter; this estimate is revised when estimates for subsequent quarters of the same calendar year are released; thereafter, the estimates are open for revision only once a year for the next four years, at the time of the release of the first quarter estimates. For example, the estimates for the first quarter of 2004 were first released in May 2004. The first revision to these estimates occurred when the second quarter estimates were released in August 2004, further revisions occurred when the third and fourth quarter 2004

estimates were released. These estimates were revised again in each of the next four years, with the last of these revisions occurring with this release.

The policy of revising the estimates of previous years only once a year is adhered to throughout the System of National Accounts. The period open for revision, however, varies from one set of accounts to the other. Thus, the standard revision is four years in the Income and Expenditure Accounts and the Balance of Payments. The standard revision in the Input-Output Accounts covers one year—the first year of the four years of revision in the Income and Expenditure Accounts and the balance of payments statistics. The revision of the Financial Flow Accounts usually parallels that of the National Balance Sheet Accounts and may occasionally cover more than four years in order to harmonize the flows with the revised stocks.

Limited revisions are sometimes carried out for periods further back than four years and historical revisions are conducted periodically, roughly once every 10 years. Historical revisions provide an occasion to improve estimation methods, eliminate statistical breaks resulting from more limited revisions, and introduce conceptual changes into the system. The most recent historical revision was completed in December 1997. Documentation related to this revision can be found at www.statcan.ca/english/freepub/13-605-XIE/2003001/data/1997nefa/index.htm.

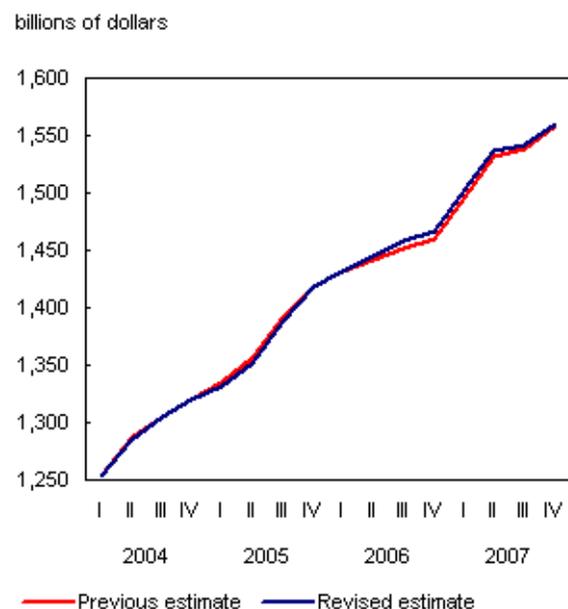
Impact of the revisions on gross domestic product

The current revisions to GDP result from the inclusion of the most current estimates from data sources, including survey results, administrative data and public accounts. Revised 2004 and preliminary 2005 Input-Output data are incorporated for the first two years of the four-year revision period. New benchmark information is incorporated for the more recent periods. Other series are revised due to applying existing or updated projectors to the new levels received from the Input-Output Accounts. Additional conceptual or classification changes are sometimes implemented within the National Income and Expenditure Accounts. Documentation related to these conceptual changes can be found at www.statcan.ca/english/freepub/13-605-XIE/2003001/chronology/chronoindex.htm. No conceptual changes have been made to the Income and Expenditure Accounts this year.

Table I.1 Selected components – Current revisions

	2004	2005	2006	2007
	millions of dollars			
Gross domestic product	78	-2,454	4,183	4,219
Income components				
Wages, salaries and supplementary labour income	2,292	1,052	5,931	6,067
Surplus	-1,677	-2,891	-390	-2,561
Corporation profits before taxes	-932	-3,462	-2,140	-7,195
Interest and miscellaneous investment income	-89	177	1,111	2,831
Capital consumption allowances	-451	-377	456	1,415
Government business enterprise profits before taxes	-108	745	815	84
Inventory valuation adjustment	-97	26	-632	304
Taxes less subsidies, on factors of production	221	-1	159	972
Taxes less subsidies, on products	-235	-713	-901	-705
Expenditure components				
Personal expenditure on consumer goods and services	-484	-1,462	-242	-1,196
Government current expenditure on goods and services	-1,471	-2,453	-884	-1,595
Business investment in residential structures	47	-60	87	134
Business investment in non-residential structures	-23	-121	-942	-3,905
Business investment in machinery and equipment	297	2,426	6,052	7,825
Business investment in inventories	-351	-312	269	2,654
Exports of goods and services	633	-1,470	-2,008	-2,551
Imports of goods and services	-418	-345	-612	-1,190

As can be seen in Table I.1, the revision results in minimal adjustment to the level of GDP at current prices on an annual basis for 2004. The estimates are revised down by \$2.5 billion for 2005 while they are adjusted up by \$4.2 billion for 2006 and \$4.2 billion for 2007. The minor revision of \$78 million to GDP in 2004 is a result of revisions to the 2004 Input-Output Tables. This is the last time 2004 will be revised in a normal revision schedule as it is now fully reconciled with the final Input-Output Accounts. Chart I.1 compares the value of the previous estimate to the revised estimate of nominal GDP on a quarterly basis.

Chart I.1 Gross domestic product

The downward revision to GDP in 2005 is mainly driven by lower corporate profits and government current expenditure than previously estimated. The upward revisions to GDP in 2006 and 2007 are primarily due to higher labour income and investment in machinery and equipment, which are only partly offset by lower corporate profits, government current expenditures, business investment in non-residential structures, and exports of goods and services. The upward revision to labour income stems from the incorporation of employment income data (T4 records) from Canada Revenue Agency, whereas the upward revision to business investment in machinery and equipment is due to revised information from the survey of Public and Private Investment in Canada. On a quarterly basis (Table I.3), revisions are small in 2004 while GDP is revised down in all quarters of 2005. In contrast, the level of current dollar GDP is revised up for all quarters of 2006 and 2007.

The current revision to the annual growth rate of current dollar GDP (Table I.4) has left 2004 and 2007 unchanged. Viewed from a historical perspective over two decades, the revision of -0.2 percentage points in 2005 falls in the low range of revisions while it reaches 0.5 percentage points in 2006. The cumulative revision to the growth rate is measured by taking the difference between the current growth rate and the initial growth rate. The estimate of growth remains unchanged in 2007 and is revised up by 0.3 percentage points in 2004, 0.2 percentage points in 2005, and 0.8 percentage points in 2006, respectively. The cumulative revision to the 2006 growth rate is large by historical standards. The estimates of quarterly GDP growth remain practically unchanged for all quarters of 2004. There are only minor revisions of +/-0.2 percentage points for some quarters of 2005 through 2007. Also, the cumulative revision is generally minor for most quarters of the 4-year period, with the largest portion of the revisions taking place in the first (+0.8 percentage points) and second quarters (+0.7 percentage points) of 2006.

The estimates of annual real GDP growth (Table I.4) are unchanged for 2004 and 2007. They are revised down 0.2 percentage points in 2005 but up 0.3 percentage points in 2006. The cumulative revisions to the growth rate are zero for 2005 and 2007. They are modest by historical standards for 2004 and 2006, settling at 0.3 percentage points and 0.4 percentage points, respectively. On a quarterly basis for current revisions, 2004 and 2007 remain practically unchanged. Fairly small revisions of +/-0.2 percentage points are applied to some quarters of 2005 and 2006. The cumulative revisions are small for most quarters of the period except the third (+0.3 percentage points) and fourth (+0.3 percentage points) quarters of 2004 and the first (-0.4 percentage points) and fourth (+0.5 percentage points) quarters of 2005.

Chart I.2
Growth rates of real gross domestic product, annual

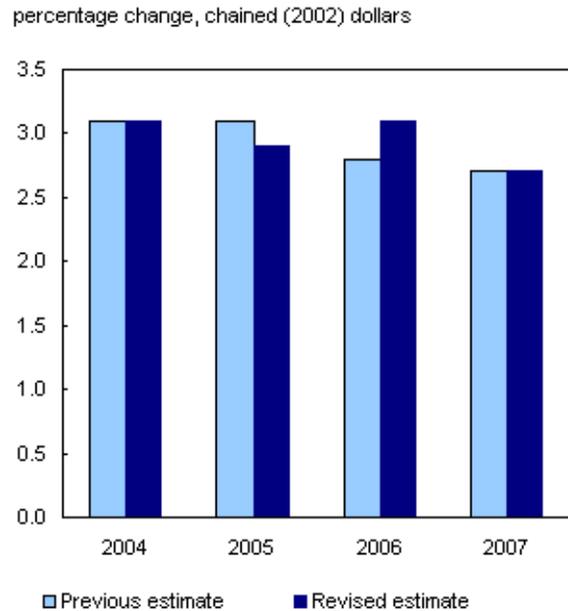


Chart I.3
Growth rates of real gross domestic product, quarterly

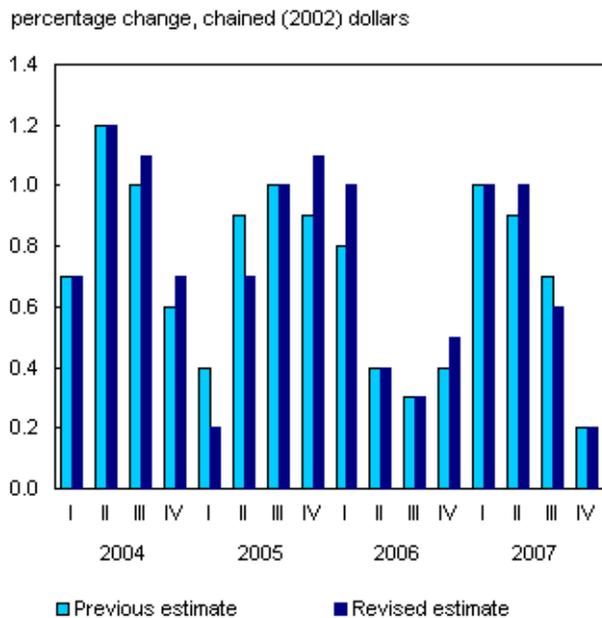


Table I.2 provides a history of the revisions to GDP for the period 1994-2007. As noted earlier, each annual estimate is subjected to four different annual revision cycles as well as periodic historical revision processes. This table provides the published level and growth rate of GDP for a given year for each of these revision cycles. The largest revisions to GDP normally occur with the third revision cycle, in which the Income and Expenditure Accounts are benchmarked to the preliminary Input-Output Tables. The average upward revision to GDP growth is 0.3 percentage points and the average downward revision is -0.3 percentage points following the first revision cycle. This changes to +0.6 and -0.4 percentage points with the second, and +0.7 and -0.3 percentage points with the Input-Output benchmarking process (the third and fourth revision cycle combined).

The implicit chained price index for GDP in 2004 and 2007 remains unchanged. The index is slightly revised down 0.1 percentage points for 2005 and up 0.1 percentage points for 2006.

Revisions to income aggregates (Table I.5)

Estimates of wages, salaries and supplementary labour income are revised upward by \$2.3 billion, \$1.1 billion, \$5.9 billion and \$6.1 billion in 2004 through 2007, respectively. The revision in 2004 is due to an updated 2004 T4 supplementary tax file received from the Canada Revenue Agency (CRA). This revision also affected 2005, as both files have now been incorporated into the estimate of wages and salaries. Revisions in 2006 are the result of the incorporation of data from tax files as well as other benchmark sources. Supplementary labour income is revised with actual data on contributions to pensions available for 2006.

Within the System of National Accounts, surplus is defined as the income corporations obtain from their own production facilities — value added at basic prices less compensation of employees less taxes on production payable plus subsidies received. It represents the last balancing item in the Input-Output Tables and is calculated for each industry. As part of the annual benchmarking to the Input-Output Tables, estimates of surplus are produced by incorporating the latest annual business and institutional surveys as well as various administrative data into the Input-Output framework. Once these benchmark estimates of surplus are derived, the revisions are incorporated into the Income and Expenditure Accounts. In the Income and Expenditure Accounts, surplus includes the following income components: corporation profits before taxes, interest and miscellaneous investment income, government business enterprise profits before taxes, inventory valuation adjustment, and capital consumption allowances. Surplus is revised downward by \$1.7 billion for 2004 and by \$2.9 billion for 2005. It is revised up by \$0.4 billion in 2006 and down by \$2.6 billion in 2007. Part of the downward revision to surplus reflects updated information on purchases of intermediate inputs by the automobile

industry. The revised source data extend back prior to the four-year window open for the revision under the revision policy of the SNA Branch. To minimise the impact on the time series, the revision was introduced gradually over the 2004 to 2006 period. Table I.1 shows the revisions to surplus for 2004 to 2007 as well as how the revision is distributed among its various income components.

Estimates of corporation profits before taxes are revised down each year from 2004 through 2007 by \$0.9 billion, \$3.5 billion, \$2.1 billion and \$7.2 billion, respectively. The revisions in 2004 and 2005 reflect the benchmarking to the Input-Output Accounts that take into account the latest annual business survey data as well as updated annual corporate income tax returns for 2005. New estimates from the preliminary Financial and Taxation Statistics for Enterprises including the General Index of Financial Information (GIFI) schedules and other annual sources have been incorporated for 2006. The 2007 estimates are projected using revised estimates from the Quarterly Financial Statistics for Enterprises. Government business enterprise profits are revised down by \$0.1 billion (2004) and up by \$0.7 billion (2005), \$0.8 billion (2006) and \$0.1 billion (2007). Interest and miscellaneous investment income is virtually unchanged in 2004, but is revised upward by \$0.2 billion, \$1.1 billion, and \$2.8 billion for 2005, 2006 and 2007, respectively. Revisions to this series reflect new and revised interest payment and receipt information from businesses. Capital consumption allowances (CCA) are revised downward in the first two years (\$0.5 billion and \$0.4 billion) but upward in the other two years (\$0.5 billion and \$1.4 billion). Updated annual corporate income tax returns, together with additional depreciation estimates from the Investment and Capital Stock Division's perpetual inventory model have led to these revisions. Inventory valuation adjustment sees minimal changes in 2004 and 2005. The current revision is -\$0.6 billion for 2006, and +\$0.3 billion for 2007.

Accrued net income of farm operators from farm production is revised downward in all four years due mainly to revisions in accrued program payments, farm operating expenses and grain inventories held on farms. Accrued net farm income remained at a low level in 2006 and 2007, compared to its historical level. Net income of non-farm unincorporated business, including rent is revised slightly upwards in all four years. The revisions in 2004 and 2005 reflect the annual benchmarking to the Input-Output Accounts by industry. The revisions in 2006 incorporate the most recent tax data from Canada Revenue Agency.

The estimate of taxes on factors of production, less subsidies is unchanged in 2005 and is revised slightly upward in 2004 and 2006. In 2007 the estimate is revised upward by \$1.0 billion. Taxes on products, less subsidies are revised downward in 2004 through 2007. Revisions to both series incorporate new public accounts and other financial information for the different government sub-sectors.

Revisions to expenditure aggregates at current prices (Table I.6)

Personal expenditure on consumer goods and services is revised downward by \$0.5 billion (2004), \$1.5 billion (2005), \$0.2 billion (2006), and \$1.2 billion (2007), with food and non-alcoholic beverages accounting for the majority of the revisions. There were upward revisions throughout the 4-year period on spending on natural gas and communications. In 2004 and 2005, revisions reflect benchmarking to Input-Output Accounts. Personal expenditure on services is revised using results from the Survey of Household Spending for 2006, as well as surveys of service industries. Both the quarterly retail commodity data, up to 2007, and the annual Retail Trade for 2006, released in March 2008, are incorporated into the personal expenditure estimates on consumer goods.

The downward revisions to Government current expenditure on goods and services are relatively large, accounting for \$1.5 billion in 2004, \$2.5 billion in 2005, \$0.9 billion in 2006, and \$1.6 billion in 2007. These revisions reflect new data from the federal government's accounting system and provincial public accounts as well as the latest local government information. Survey results for 2005 from the Canadian Institute for Health Information (CIHI) and the Culture, Tourism and the Centre for Education Statistics are also incorporated and carried forward to 2007. Government gross fixed capital formation sees modest revisions for 2004 to 2006 and a \$2.0 billion revision in 2007. There is no revision to government investment in inventory.

Current dollar business investment in residential structures shows very small revisions for each year. Revisions are based on administrative data and results from the 2006 Survey of Household Spending and the Survey of Real Estate Agents and Brokers. Business investment in non-residential construction posts downward revisions for 2004 to 2007, with a larger revision of \$3.9 billion in 2007. Business investment in machinery and equipment records upward revisions in all years at \$0.3 billion, \$2.4 billion, \$6.1 billion, and \$7.8 billion, respectively. Revisions to both series reflect benchmarking to the Input-Output Accounts as well as the incorporation of the latest estimates from the Private and Public Investment Survey. The sharp decrease in investment in non-residential structures in 2007 was largely due to revised estimates of engineering.

Revisions to business investment in inventories reflect the incorporation of new information on natural gas storage movements as well as information coming from the latest annual surveys. The downward revisions to 2004 (\$0.4 billion) and 2005 (\$0.3 billion) also reflect the results of the commodity balancing process that is integral to the compilation of the Input-Output Accounts, to which the Income and Expenditure Accounts are benchmarked. The upward revisions are recorded at \$0.3 billion for 2006 and \$2.7 billion for 2007.

Merchandise exports in current dollars are revised down by \$1.6 billion, \$2.0 billion and \$2.2 billion over the period of 2005 to 2007, primarily driven by the revisions to machinery and equipment. The revision in 2004 is minimal. The downward revision to exports is largely due to the partial reversal of adjustments that had been made to account for underreporting of exports to non-US destinations. The partial reversal is based on evidence of improved reporting compliance by exporters. Merchandise imports in current dollars recorded limited downward revisions by \$0.2 billion, \$0.5 billion, \$0.1 billion and \$0.6 billion, respectively. In real terms, merchandise imports were revised down for the entire 2004 to 2007 period reflecting an upward adjustment to import prices. The adjustment was based on an analysis of imbalances between supply and use of goods in real terms. The revisions to service exports and imports are primarily caused by the incorporation of newly received survey data for Canada's trade in commercial services. The value of service exports is revised up by \$0.7 billion and \$0.2 billion for 2004 and 2005 but down by \$0.05 billion and \$0.4 billion for 2006 and 2007, respectively. Similar to exports, the value of service imports demonstrates modest revisions. The revisions to chained implicit prices are minimal for exports while they show some volatility for imports.

Table I.2 Revisions to gross domestic product, historical perspective

Reference period	Initial estimate	Revised estimate, first annual revision cycle	Revised estimate, second annual revision cycle	Revised estimate, third annual revision cycle	Revised estimate, fourth annual revision cycle	Revised estimate, historical revision processes	Cumulative revision
millions of current dollars							
1994	748,606	750,053	747,260	762,251	762,251	770,873	22,267
1995	780,027	776,299	799,129	799,129	806,778	810,426	30,399
1996	797,789	828,997	833,921	833,070	839,064	836,864	39,075
1997	856,134	855,103	866,252	873,947	877,921	882,733	26,599
1998	888,390	895,704	901,805	915,865	914,973	914,973	26,583
1999	949,400	957,911	975,263	980,524	982,441		33,041
2000	1,038,794	1,056,010	1,064,995	1,075,566	1,076,577		37,783
2001	1,084,119	1,092,246	1,107,459	1,108,200	1,108,048		23,929
2002	1,142,123	1,154,949	1,157,968	1,154,204	1,152,905		10,782
2003	1,214,601	1,218,772	1,216,191	1,213,408	1,213,175		-1,426
2004	1,293,289	1,290,185	1,290,788	1,290,828	1,290,906		-2,383
2005	1,368,726	1,371,425	1,375,080	1,372,626			3,900
2006	1,439,291	1,446,307	1,450,490				11,199
2007	1,531,427	1,535,646					4,219
growth rate							
1995	4.0	3.9	4.8	4.8	5.8	5.1	1.1
1996	2.8	3.7	4.4	3.3	4.0	3.3	0.5
1997	3.3	2.5	4.0	4.2	4.6	5.5	2.2
1998	3.9	3.4	3.2	4.3	4.2	3.7	-0.2
1999	6.0	6.2	6.5	7.2	7.4		1.4
2000	8.4	8.3	8.6	9.5	9.6		1.1
2001	2.7	2.6	3.0	2.9	2.9		0.3
2002	4.6	4.3	4.5	4.2	4.0		-0.5
2003	5.2	5.3	5.4	5.2	5.2		0.1
2004	6.1	6.1	6.4	6.4	6.4		0.3
2005	6.1	6.2	6.5	6.3			0.2
2006	4.9	5.2	5.7				0.8
2007	5.9	5.9					0.0

Table I.3 Revisions to gross domestic product

Reference period	Initial estimate ¹	Previous estimate ²	Revised estimate ³	Current revision ⁴	Cumulative revision ⁵
seasonally adjusted data at annual rates, millions of current dollars					
2004	1,293,289	1,290,828	1,290,906	78	-2,383
2005	1,368,726	1,375,080	1,372,626	-2,454	3,900
2006	1,439,291	1,446,307	1,450,490	4,183	11,199
2007	1,531,427	1,531,427	1,535,646	4,219	4,219
2004Q1	1,255,676	1,253,040	1,253,084	44	-2,592
2004Q2	1,287,476	1,286,048	1,285,308	-740	-2,168
2004Q3	1,308,012	1,304,768	1,305,812	1044	-2,200
2004Q4	1,323,868	1,319,456	1,319,420	-36	-4,448
2005Q1	1,331,300	1,334,424	1,331,732	-2,692	432
2005Q2	1,347,608	1,356,388	1,351,936	-4,452	4,328
2005Q3	1,385,940	1,390,844	1,388,588	-2,256	2,648
2005Q4	1,411,652	1,418,664	1,418,248	-416	6,596
2006Q1	1,417,276	1,431,364	1,432,352	988	15,076
2006Q2	1,429,800	1,442,220	1,444,876	2,656	15,076
2006Q3	1,440,808	1,452,396	1,458,128	5,732	17,320
2006Q4	1,453,744	1,459,248	1,466,604	7,356	12,860
2007Q1	1,494,976	1,497,260	1,503,856	6,596	8,880
2007Q2	1,530,540	1,531,096	1,536,548	5,452	6,008
2007Q3	1,537,472	1,538,508	1,541,836	3,328	4,364
2007Q4	1,558,844	1,558,844	1,560,344	1,500	1,500

1. For annual data, the initial estimate is from the fourth quarter of the corresponding year, for quarterly data, it is the estimate first published for the corresponding quarter. The initial annual estimate is not the average of the initial quarterly estimates as the latter have already been revised by the time the initial annual estimate is released.

2. For 2004, 2005 and 2006, the previous estimate is the one released with the first quarter of 2007, while for 2007 it is from the fourth quarter issue of 2007.

3. The revised estimates are the result of the revisions at the time of the first quarter of 2008.

4. The current revision is the revised estimate less the previous estimate.

5. The cumulative revision is the revised estimate less the initial estimate.

Table I.4 Revisions to gross domestic product (growth rates)

Reference period	Initial estimate ¹	Previous estimate ²	Revised estimate ³	Current revision ⁴	Cumulative revision ⁵
seasonally adjusted data at annual rates					
current dollars, %			percentage points		
2004	6.1	6.4	6.4	0.0	0.3
2005	6.1	6.5	6.3	-0.2	0.2
2006	4.9	5.2	5.7	0.5	0.8
2007	5.9	5.9	5.9	0.0	0.0
2004Q1	1.8	1.9	1.9	0.0	0.1
2004Q2	2.5	2.6	2.6	0.0	0.1
2004Q3	1.7	1.5	1.6	0.1	-0.1
2004Q4	1.2	1.1	1.0	-0.1	-0.2
2005Q1	1.0	1.1	0.9	-0.2	-0.1
2005Q2	1.3	1.6	1.5	-0.1	0.2
2005Q3	2.8	2.5	2.7	0.2	-0.1
2005Q4	2.0	2.0	2.1	0.1	0.1
2006Q1	0.2	0.9	1.0	0.1	0.8
2006Q2	0.2	0.8	0.9	0.1	0.7
2006Q3	0.6	0.7	0.9	0.2	0.3
2006Q4	0.7	0.5	0.6	0.1	-0.1
2007Q1	2.4	2.6	2.5	-0.1	0.1
2007Q2	2.3	2.3	2.2	-0.1	-0.1
2007Q3	0.5	0.5	0.3	-0.2	-0.2
2007Q4	1.3	1.3	1.2	-0.1	-0.1
chained (2002) dollars ⁶					
%			percentage points		
2004	2.8	3.1	3.1	0.0	0.3
2005	2.9	3.1	2.9	-0.2	0.0
2006	2.7	2.8	3.1	0.3	0.4
2007	2.7	2.7	2.7	0.0	0.0
2004Q1	0.6	0.7	0.7	0.0	0.1
2004Q2	1.1	1.2	1.2	0.0	0.1
2004Q3	0.8	1.0	1.1	0.1	0.3
2004Q4	0.4	0.6	0.7	0.1	0.3
2005Q1	0.6	0.4	0.2	-0.2	-0.4
2005Q2	0.8	0.9	0.7	-0.2	-0.1
2005Q3	0.9	1.0	1.0	0.0	0.1
2005Q4	0.6	0.9	1.1	0.2	0.5
2006Q1	0.9	0.8	1.0	0.2	0.1
2006Q2	0.5	0.4	0.4	0.0	-0.1
2006Q3	0.4	0.3	0.3	0.0	-0.1
2006Q4	0.4	0.4	0.5	0.1	0.1
2007Q1	0.9	1.0	1.0	0.0	0.1
2007Q2	0.8	0.9	1.0	0.1	0.2
2007Q3	0.7	0.7	0.6	-0.1	-0.1
2007Q4	0.2	0.2	0.2	0.0	0.0

1. For annual data, the initial estimate is from the fourth quarter of the corresponding year, for quarterly data, it is the estimate first published for the corresponding quarter. The initial annual estimate is not the average of the initial quarterly estimates as the latter have already been revised by the time the initial annual estimate is released.

2. For 2004, 2005 and 2006, the previous estimate is the one released with the first quarter of 2007, while for 2007 it is from the fourth quarter issue of 2007.

3. The revised estimates are the result of the revisions at the time of the first quarter of 2008.

4. The current revision is the revised estimate less the previous estimate.

5. The cumulative revision is the revised estimate less the initial estimate.

6. For 2004, 2005 and 2006, the initial estimate is in chained (1997) dollars.

Table I.5 Revisions to income aggregates at current prices

Reference period	Initial estimate ¹	Previous estimate ²	Revised estimate ³	Current revision ⁴	Cumulative revision ⁵
millions of dollars					
Wages, salaries and supplementary labour income					
2004	638,868	654,957	657,249	2,292	18,381
2005	678,925	694,041	695,093	1,052	16,168
2006	730,075	737,382	743,313	5,931	13,238
2007	782,290	782,290	788,357	6,067	6,067
Corporation profits before taxes					
2004	178,014	169,151	168,219	-932	-9,795
2005	193,936	189,357	185,895	-3,462	-8,041
2006	200,338	198,859	196,719	-2,140	-3,619
2007	210,426	210,426	203,231	-7,195	-7,195
Government business enterprise profits before taxes					
2004	11,857	12,923	12,815	-108	958
2005	13,370	14,578	15,323	745	1,953
2006	13,733	13,823	14,638	815	905
2007	15,455	15,455	15,539	84	84
Interest and miscellaneous investment income					
2004	56,845	54,109	54,020	-89	-2,825
2005	61,240	61,070	61,247	177	7
2006	63,418	65,310	66,421	1,111	3,003
2007	68,684	68,684	71,515	2,831	2,831
Accrued net income of farm operators from farm production					
2004	1,700	3,106	2,897	-209	1,197
2005	1,551	1,321	1,098	-223	-453
2006	326	344	-154	-498	-480
2007	582	582	110	-472	-472
Net income of non-farm unincorporated business, including rent					
2004	81,013	81,037	81,313	276	300
2005	84,666	83,636	83,955	319	-711
2006	87,412	85,980	86,540	560	-872
2007	89,777	89,777	90,363	586	586
Inventory valuation adjustment					
2004	-657	-1,747	-1,844	-97	-1,187
2005	-442	-933	-907	26	-465
2006	-1,809	-1,775	-2,407	-632	-598
2007	2,968	2,968	3,272	304	304
Taxes less subsidies, on factors of production					
2004	57,661	58,998	59,219	221	1,558
2005	59,961	61,847	61,846	-1	1,885
2006	63,351	64,421	64,580	159	1,229
2007	66,949	66,949	67,921	972	972
Taxes less subsidies, on products					
2004	93,248	89,838	89,603	-235	-3,645
2005	94,750	94,334	93,621	-713	-1,129
2006	97,229	97,161	96,260	-901	-969
2007	100,133	100,133	99,428	-705	-705
Capital consumption allowances					
2004	174,216	168,274	167,823	-451	-6,393
2005	181,427	176,338	175,961	-377	-5,466
2006	185,505	184,750	185,206	456	-299
2007	193,814	193,814	195,229	1,415	1,415

1. For annual data, the initial estimate is from the fourth quarter of the corresponding year.

2. For 2004, 2005 and 2006, the previous estimate is the one released with the first quarter of 2007, while for 2007 it is from the fourth quarter issue of 2007.

3. The revised estimates are the result of the revisions at the time of the first quarter of 2008.

4. The current revision is the revised estimate less the previous estimate.

5. The cumulative revision is the revised estimate less the initial estimate.

Table I.6 Revisions to expenditure aggregates at current prices

Reference period	Initial estimate ¹	Previous estimate ²	Revised estimate ³	Current revision ⁴	Cumulative revision ⁵
millions of dollars					
Personal expenditure on consumer goods and services					
2004	722,631	720,401	719,917	-484	-2,714
2005	761,962	760,701	759,239	-1,462	-2,723
2006	801,810	803,502	803,260	-242	1,450
2007	853,966	853,966	852,770	-1,196	-1,196
Government current expenditure on goods and services					
2004	249,771	248,868	247,397	-1,471	-2,374
2005	262,369	262,650	260,197	-2,453	-2,172
2006	282,667	279,806	278,922	-884	-3,745
2007	298,067	298,067	296,472	-1,595	-1,595
Government gross fixed capital formation					
2004	32,702	32,082	32,504	422	-198
2005	35,129	36,296	36,952	656	1,823
2006	37,382	40,336	40,899	563	3,517
2007	43,715	43,715	45,711	1,996	1,996
Government investment in inventories					
2004	21	21	21	0	0
2005	27	27	27	0	0
2006	-41	-41	-41	0	0
2007	15	15	15	0	0
Business investment in residential structures					
2004	84,470	82,918	82,965	47	-1,505
2005	89,595	89,791	89,731	-60	136
2006	96,941	98,386	98,473	87	1,532
2007	108,592	108,592	108,726	134	134
Business investment in non-residential structures					
2004	54,243	62,081	62,058	-23	7,815
2005	63,938	72,674	72,553	-121	8,615
2006	80,681	85,698	84,756	-942	4,075
2007	92,800	92,800	88,895	-3,905	-3,905
Business investment in machinery and equipment					
2004	85,641	84,435	84,732	297	-909
2005	91,354	90,609	93,035	2,426	1,681
2006	94,109	93,801	99,853	6,052	5,744
2007	96,244	96,244	10,4069	7,825	7,825
Business investment in inventories					
2004	7,219	5,589	5,238	-351	-1,981
2005	9,469	9,642	9,330	-312	-139
2006	7,223	7,824	8,093	269	870
2007	7,152	7,152	9,806	2,654	2,654
Exports of goods and services					
2004	494,519	495,347	495,980	633	1,461
2005	518,256	520,379	518,909	-1,470	653
2006	525,611	524,706	522,698	-2,008	-2,913
2007	534,669	534,669	532,118	-2,551	-2,551
Imports of goods and services					
2004	437,404	440,732	440,314	-418	2,910
2005	464,030	468,197	467,852	-345	3,822
2006	487,379	487,660	487,048	-612	-331
2007	503,445	503,445	502,255	-1,190	-1,190

1. For annual data, the initial estimate is from the fourth quarter of the corresponding year.

2. For 2004, 2005 and 2006, the previous estimate is the one released with the first quarter of 2007, while for 2007 it is from the fourth quarter issue of 2007.

3. The revised estimates are the result of the revisions at the time of the first quarter of 2008.

4. The current revision is the revised estimate less the previous estimate.

5. The cumulative revision is the revised estimate less the initial estimate.