

## CHAPTER II

### RESOURCES, PRODUCT AND NATIONAL INCOME \*

#### 1. RESOURCES AND THE NATIONAL PRODUCT

The value of Israel's economic resources in 1955 was estimated at IL. 2,850 millions, as compared with IL. 2,410 millions in 1954 (see Table 2). The value of the resources at constant prices rose by 10 per cent, while their prices increased by 7.3 per cent.

TABLE 2  
COMPOSITION OF ISRAEL'S RESOURCES, 1954 AND 1955  
(in IL. millions)

	1954	1955		Percentage change at constant prices
		at current prices	at 1954 prices	
Gross National Product	1,737	2,053	1,909	+ 9.9
Import	673	797	748	+11.1
Total Resources	2,410	2,850	2,657	+10.2

SOURCE: *Calculations of the Bank of Israel.*

Real gross output rose by 10 per cent in 1955, while the import volume increased by 11 per cent. The share of imports in total resources, both in 1954 and 1955, was 28 per cent, their relative weights thus remaining unchanged\*\*. Additional details on imports are given in Chapter III.

#### 2. REAL OUTPUT AND PRODUCTIVITY

The contribution of the different branches of the economy to the increase in national product, as well as the main factors in operation — including changes in output per worker — are shown in Table 3.

\* The computations of this Chapter are based, in part, upon provisional estimates made by Dr. Daniel Creamer and Dr. Harold Lubell of the Falk Project for Economic Research in Israel, and by the Central Bureau of Statistics (National Income for 1952, 1953 and 1954, National Expenditures for 1952 and 1953) and, in part, upon incomplete statistical data for 1955. The results have therefore to be regarded as provisional and subject to revision.

\*\* Imports have been calculated at the official rate of IL. 1.800=\$1.00. But, in fact, the Government and importers sold some imported goods on the Israel market at prices exceeding the level warranted by the official rate of exchange, and others at prices too low in relation to this rate. In Government accounts these differences appear as duties or subsidies on imported goods or on products made from them, and are included in the gross product under the item "Net Indirect Taxes". To the extent that the difference between the c.i.f. price, plus Government import duties, and the local price in Israel pounds is collected by importers, it appears as part of gross product in the incomes of these importers.

To calculate the real ratio between imports and national product, it would be necessary to compute the value of imports in local currency at an equilibrium exchange rate which is probably higher than the official rate. This cannot be done, however, without special research. The real weight of import in relation to gross national product is thus greater than that specified in the table, especially as regards the year 1955.

TABLE 3

PERCENTAGE CHANGES IN PRODUCTION, EMPLOYMENT AND OUTPUT PER WORKER, BY SECTOR, FROM  
1954 TO 1955

Sector	Changes in Real Output	Changes in Employment	Changes in Output per Worker
A. Agriculture	+ 3.3	+ 6.4	— 2.9
B. Industry	+12.0	+ 4.6	+ 7.1
C. Building & Public Works	+15.8	+10.4	+ 4.9
D. Communications	+ 8.0	+ 5.6	+ 2.3
<i>Total A—D</i>	+ 9.6	+ 6.2	+ 3.2
E. Government, Local Authorities and National Institutions	+11.9	+ 4.4	+ 5.7
F. Trade, Finance, Property and Various Services	+ 9.0		
<i>Total *</i>	+ 9.9	+ 5.4	+ 4.3

\* In accordance with the weight of the various sectors in net product during 1954; see Table 4.

SOURCE: Calculations of the Bank of Israel.

Agricultural output rose by 3.3 per cent between the years 5714 and 5715\*. The increase was relatively small, mainly due to the low rainfall; this fact emerges from examining the yields of crops, such as grains and pulses, particularly dependent on precipitation.

The output of meat increased by 76 per cent. The output of industrial crops rose by 43 per cent; among them the production of cotton was nine times and of sugar beet three times as much as in 1954. The output of milk rose by 9 per cent as a result of higher yields per cow and the greater number of sheep and goats. On the other hand, there was a fall of 25 per cent in the output of grains and pulses, while the output of fruit dropped by 14 to 17 per cent.

Employment in agriculture rose by 6.4 per cent; but no conclusions can be drawn from computing the output per worker because of the adverse influence of the drought.

Real output in industry (including mining, electric power, waterworks and handicrafts) rose by 12 per cent between 1954 and 1955. Various indications point to the fact that output in the food industry increased by less than this average figure. Increases of production were particularly striking in the metal industry, the chemical industry and the machinery and vehicle industries, due in part to the production of items not previously manufactured in Israel.

Manpower in industry increased by 4.6 per cent. The real increase in output per worker was therefore 7 per cent and was due to several factors: firstly, the influence of past investments was increasingly felt; secondly, special efforts to increase productivity through the payment of premiums, and in other ways, proved effective;

\* The Jewish years 5714 and 5715 correspond approximately to the periods October 1953 to September 1954 and October 1954 to September 1955.

thirdly, competition, both in local and foreign markets, has steadily increased and has spurred producers to rationalise their production methods.

The building of houses expanded by 12 per cent, while the volume of other construction activities increased by 21.5 per cent. The total volume of building thus rose by 16 per cent. It appears that more houses were completed than were begun during 1955; this phenomenon reversed the tendency prevailing during previous years, when more buildings were started than finished. Apart from the erection of buildings, the volume of construction expanded considerably owing to various projects, such as the completion of the railway line to Beersheba and the extension of the road network. The number of workers employed in building and construction increased by nearly 12 per cent. Output per worker thus rose by about 4 per cent.

In transportation, the largest increases in real output occurred in the railways and in motor haulage branches (about 10 per cent) and in the motor bus services (about 8 per cent). On the other hand, there seems to have been a falling-off in transportation by taxi cabs. The volume of sea transport expanded by 8 per cent, but that of air transport by only 3 per cent. Altogether, output of transportation increased by 8 per cent. As the number of employees increased by 5.6 per cent, it appears that output per worker rose by 2.3 per cent.

The total real output of the economy in 1955 was 10 per cent higher than in 1954. Since the annual average of persons employed increased from 547,000 to 577,000, i.e. by 5.4 per cent, the average output per worker in the economy as a whole rose by more than 4 per cent.

In the four sectors discussed above, i.e. in agriculture, industry, building and transportation, real output increased by 9.6 per cent, while the number of persons employed increased by 6.2 per cent. The real output of services expanded by more than 10 per cent, yet the manpower employed in services increased by only 4.4 per cent. The increase in output per worker in services is thus estimated at 5.7 per cent.

Output per worker in commodity production and in transportation would, of course, have increased by more than 3 per cent had agricultural production not contracted owing to the drought. Excluding agriculture, the other three sectors (industry, building and transport) together showed an increase in average output per worker by some 5.5 per cent. Hence, it appears that productivity of persons employed rose to approximately the same extent in commodity production as in services.

### 3. NATIONAL INCOME AND ITS DISTRIBUTION

The national income created by the Israel economy increased from about IL. 1,500 millions in 1954 to about IL. 1,700 millions in 1955, which is an increase of 13.5 per cent. If dividends, interest and other payments of this kind transferred abroad (less similar payments transferred to Israel) are deducted from these totals, the national income will be found to have totalled IL. 1,461 millions in 1954 and IL. 1,663 millions in 1955. If the national income, divided by the consumer price index (i.e. calculated at constant prices), shows an increase of 7.5 per cent, this represents the rise in real national income.

Some improvement occurred in the structure of the national income, insofar as the share of services in the total appears to have fallen slightly, as Table 4 shows.

**TABLE 4**  
BREAKDOWN OF NATIONAL INCOME PRODUCED IN 1954 AND 1955, BY INDUSTRIAL ORIGIN  
(at current prices)

Sector	1954		1955	
	in IL. millions	in per cent	in IL. millions	in per cent
A. Agriculture	203	13.5	219	12.9
B. Industry	339	22.7	417	24.5
C. Electricity & Water	27	1.8	33	1.9
<i>Total A—C</i>	569	38.0	669	39.3
D. Building & Public Works	88	5.9	109	6.4
E. Transportation	110	7.3	128	7.5
F. Trade, Finance, Property & Other Services	407	27.1	398	23.4
G. Government, Local Authorities and Public Institutions	323	21.7	397	23.4
<i>Total F—G</i>	730	48.8	795	46.8
<i>Total A—G</i>	1,497	100.0	1,701	100.0

SOURCE: 1954 — *Provisional Estimates by Dr. Daniel Creamer, the Falk Foundation for Economic Research in Israel.*  
1955 — *Calculations of the Bank of Israel.*

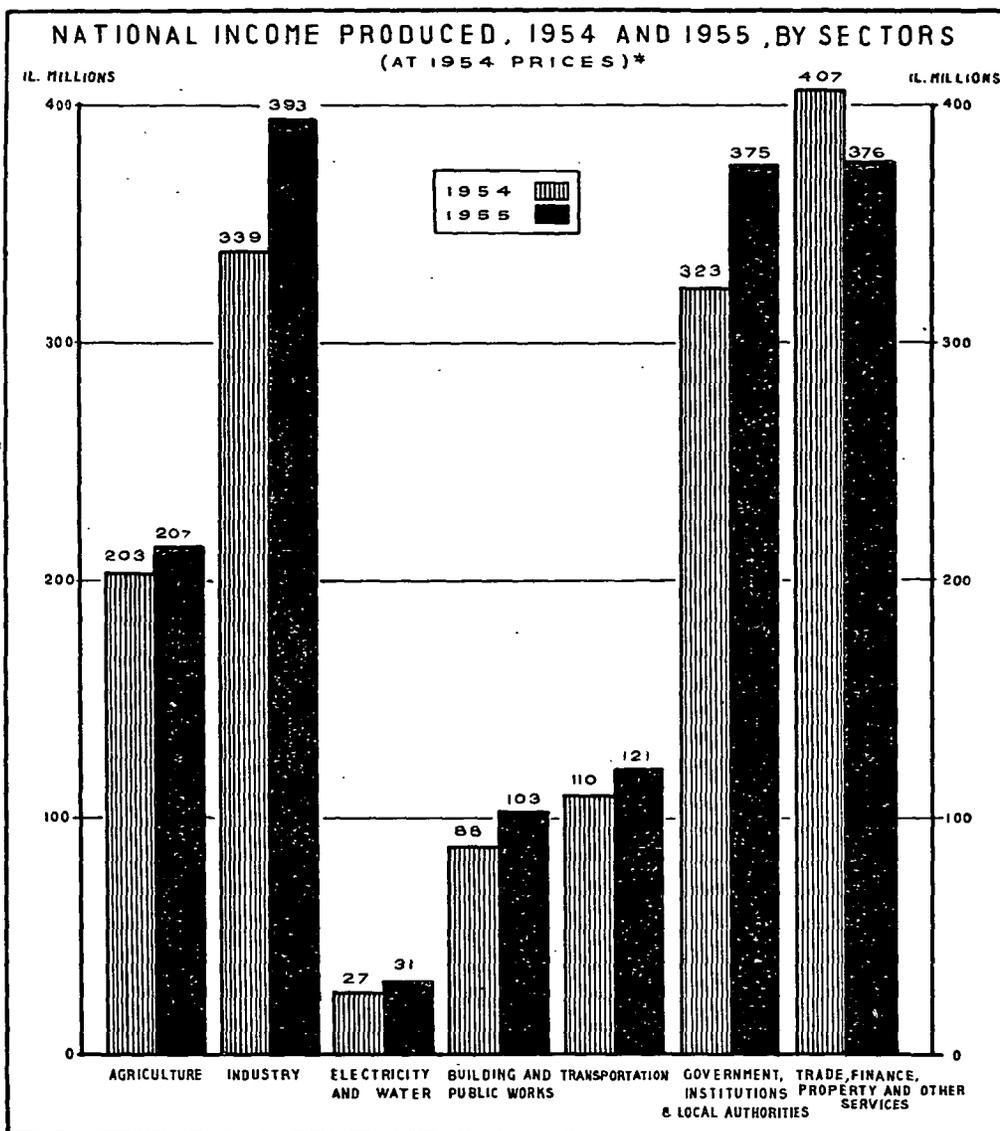
The share of agriculture and industry in the national income rose from 38.0 to 39.3 per cent, mainly owing to the increase of the income from industry, and in spite of the relative drop in the income from agriculture. The share of building increased, owing to the sharp expansion of construction. The share of services declined, the rise in Government and public institutions being more than compensated by the fall in other services. The Government's share of the national income increased as a result of the expansion of the Ordinary Budget.

Changes in the income generated by the various economic branches were due to changes in real output and in commodity and raw material prices.

Real output in agriculture increased, as already stated, by only 3.3 per cent, but prices of agricultural products rose by 8 per cent and the prices of agricultural raw materials by 13 per cent. Income thus increased by no more than 4 per cent. Total income rose by 8 per cent and total real income by 2 per cent\*.

In industry, real output increased by 12 per cent and prices of industrial products by an average of 8 per cent. Prices of industrial raw materials rose by 7.6 per cent and the rates of incomes and profits by an average of 9 per cent. Total income

\* After deflation by the consumer price index.



\* AFTER DEFLATION BY THE CONSUMER PRICE INDEX

in this sector, at current prices, increased by 23 per cent and, at constant prices, by 16 per cent.

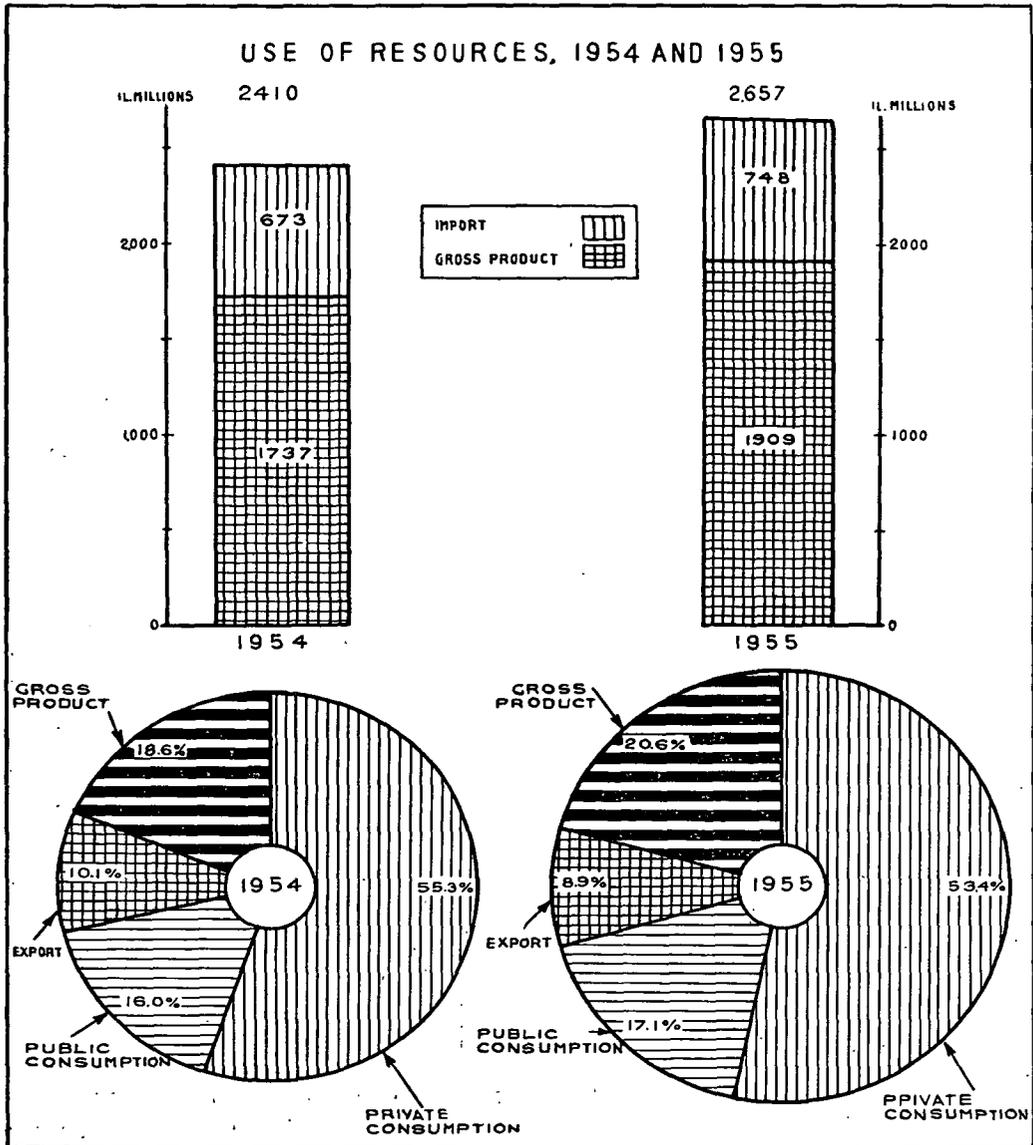
Incomes generated by building and construction increased by 24 per cent at current prices, while real income in this sector rose by 17 per cent. Income from transportation increased by 16 per cent and real income by 10 per cent. Income generated by Government and other services rose by 9 per cent, but real income in this sector increased by only 3 per cent.

#### 4. USE OF RESOURCES

In order to assess the performance of an economy, one must consider not only the origin of its resources, but also the extent to which they were used for

consumption, investment or export during the year concerned. Table 5 shows the use of resources during 1954 and 1955. The table demonstrates that the volume of private consumption expanded by 6 per cent and of public consumption by as much as 18 per cent. However, the total volume of public and private consumption expanded by less than the increase in the volume of total resources. Investment rose to a much greater extent, while the volume of exports contracted slightly.

Though private consumption increased by only 6.5 per cent, this calculation does not fully reflect the great weight of private consumption in the use of resources, since private consumption accounts for more than half the resources, while the share of exports, for instance, is less than one-tenth. If the volume of private



consumption had risen by 1 per cent more than it actually did, resources would have been released which could, in theory, have increased exports by 6 per cent.

**TABLE 5**  
USE OF RESOURCES, 1954 AND 1955  
(in IL. millions)

	1954	1955		Changes at 1954 prices	
		at current prices	at constant prices	in IL. millions	in per cent
Consumption:					
Private	1,332	1,500	1,416	+ 84	+ 6.3
Public	386	495	454	+ 68	+17.7
<i>Total Consumption</i>	1,718	1,995	1,870	+152	+ 8.8
Gross Investment	449	605	550	+101	+22.5
Exports	243	250	237	—6	— 2.3
<i>Grand Total</i>	2,410	2,850	2,657	+247	+10.2

SOURCE: *Calculations of the Bank of Israel.*

The progress of the economy can likewise be examined from a different angle, by comparing the resources available to the economy (not including the aggregate of imports but only the excess of import over export, as well as net product — after deducting depreciation) with their use for net domestic investment and consumption (see Table 6).

The share of the import surplus within total available resources rose from 21 per cent in 1954 to 22 per cent in 1955. On the other hand, private consumption absorbed a smaller part of the resources, while public consumption relatively increased. Total consumption fell slightly, while the share of net investment increased from 17 per cent in 1954 to 19 per cent in 1955. This increase is mainly due to greater investment in housing and to the purchase of ships. Investments in agriculture and industry were a little larger than in the previous year.

Of the other additional resources available to the Israel economy in 1955, 70 per cent were created by increased gross national product and 30 per cent by the larger volume of import.

Some 62 per cent of these additional resources were used for consumption and about 41 per cent for investment. The contraction in the volume of exports made a certain further contribution to the resources at the disposal of the economy.

Against the rise by IL. 152 millions, at 1954 prices, in total consumption during 1955, net product (i.e. gross product less depreciation) increased by IL. 163 millions. The increase in net product thus exceeded the increase in consumption by IL. 11 millions and there was a corresponding surplus of net investment—IL.92 millions—over the increase in capital imports, of IL. 81 millions.

In other words, of every IL. 100 added by increased net product, IL. 52 were spent on private consumption, IL.42 on public consumption, or IL.94 on consumption

**TABLE 6**  
**RESOURCES AVAILABLE AND THEIR USE, 1954 AND 1955**  
*(at 1954 prices)*

	1 9 5 4		1 9 5 5	
	<i>in IL. millions</i>	<i>in per cent</i>	<i>in IL. millions</i>	<i>in per cent</i>
Net Product	1,637	79	1,800	78
Import Surplus	430	21	511	22
<b>Total Resources Available</b>	<b>2,067</b>	<b>100</b>	<b>2,311</b>	<b>100</b>
<b>Consumption:</b>				
Private	1,332	64.5	1,416	61.5
Public	386	18.5	454	19.5
<b>Total Consumption</b>	<b>1,718</b>	<b>83</b>	<b>1,870</b>	<b>81</b>
Net Investment	349	17	441	19
<b>Total Resources Used</b>	<b>2,067</b>	<b>100</b>	<b>2,311</b>	<b>100</b>

SOURCE: *Calculations of the Bank of Israel.*

**TABLE 7**  
**INCREASE OF RESOURCES FROM 1954 TO 1955 AND THEIR USE**  
*(at 1954 prices)*

	<i>Changes between 1954 and 1955</i>	
	<i>in IL. millions</i>	<i>in per cent</i>
Gross Product	+172	70
Import	+ 75	30
<b>Total Resources</b>	<b>+247</b>	<b>100</b>
<b>Consumption:</b>		
Private	+ 84	34
Public	+ 68	28
<b>Total Consumption</b>	<b>+152</b>	<b>62</b>
Gross Investment	+101	41
Exports	— 6	— 3
<b>Total Use of Additional Resources</b>	<b>+247</b>	<b>100</b>

SOURCE: *Calculations of the Bank of Israel.*

in general. The remaining IL. 6, together with the additional capital net import, were used to finance net investment.

#### 5. THE IMPORT COMPONENTS IN RESOURCES USED

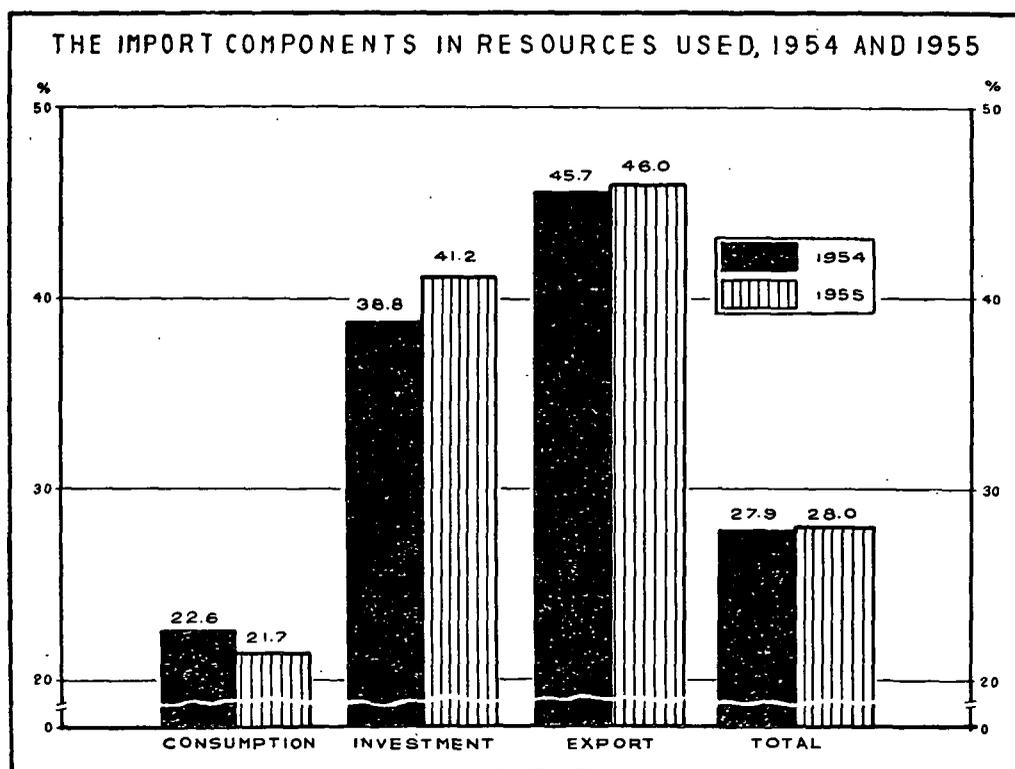
An important method of assessing progress in the Israel economy is by estimating the weight of the import components in the total resources and their uses. A diminution of this component is indicative of progress, though other tendencies might be operative in the opposite direction, such as a high rate of fixed investment or the accumulation of stocks.

The import component of private consumption declined somewhat, but the share of imports in the consumption of the public sector increased. In overall consumption, the import component decreased slightly. On the other hand, it constituted a greater proportion of investment, mainly owing to larger purchases of ships and vehicles and increases in stocks of imported commodities (see Table 8).

**TABLE 8**  
**THE IMPORT COMPONENT IN RESOURCES USED**

	1954			1955		
	Total Resources Used	Import Component		Total Resources Used	Import Component	
		in IL. m.	in per cent		in IL. m.	in per cent
Public & Private						
Consumption	1,718	388	22.6	1,995	433	21.7
Gross Investment	449	174	38.8	605	249	41.2
Exports	243	111	45.7	250	115	46.0
<b>Total</b>	<b>2,410</b>	<b>673</b>	<b>27.9</b>	<b>2,850</b>	<b>797</b>	<b>28.0</b>

SOURCE: *Calculations of the Bank of Israel.*



Exports of citrus fruit and citrus by-products, the import component of which is low, declined relatively, while exports of diamonds, whose added value is small, increased. On the other hand, there was a decline in the exports of motor vehicles, also possessing a high import component. On the whole, these offsetting trends brought about a slight rise in the average import component of exports.

#### 6. PRIVATE CONSUMPTION

The total volume of private consumption in 1955 was 6.3 per cent higher than in 1954, while the average consumption per head rose by 2.5 per cent. This rate of increase is lower than that between 1953 and 1954.

The data available on the nutritive value of food consumed in this country are insufficient to allow a firm appraisal, but it seems that the nation's diet in 1955 was no less nutritious than in 1954, and perhaps even more so. However, changes occurred in the composition of the food supplies. During 1955, consumers purchased a higher proportion of their food in the free markets than in the preceding year. The population appears to have somewhat adjusted its food demands, partly substituting Israel agricultural produce (such as meat and fish) and locally processed food products (such as preserves and meat or dairy products) for imported food.

Judging from the production figures of industrial branches supplying essential consumption goods other than food for the local market, it seems that consumption of clothing increased slightly, while the consumption of footwear declined. There was also a drop in the demand for furniture. Sales of expensive cigarettes fell off, the public transferring its custom to cheaper brands. The consumption of cooking gas increased. There was also a larger demand for certain locally produced and imported commodities subject to excise or purchase tax, such as radio sets, electric refrigerators, watches, jewellery and washing machines — all durable consumer goods. These signs seem to indicate that the decline in the demand for some items, such as shoes, was due to saturation of demand owing to relatively large purchases in the past. Hence, consumer demand was diverted, to a greater extent, to durable consumer goods.

## 7. CAPITAL IMPORT, INVESTMENT AND SAVING

Economic progress can be measured in two ways: the first examines the resources available to the economy and their use; the second calculates the extent to which the economy produced what it consumed and financed its investments from its own savings, as well as the extent to which it had to resort to capital import. In section 4 above, this subject was approached by the first method; in this section we use the second method of computing saving in both its aspects, i.e. according to its source (Government saving and private saving) and as the difference between net investment and the import surplus.

In 1954, dissaving amounted to IL. 81 millions. This means that the current expenditure of the public and the Government exceeded the volume of current income by this amount, and the deficit was covered by capital import. Dissaving was reduced to IL. 62 millions in 1955, since net investment increased by 40 per cent, while capital import rose by only 27 per cent.

The income of the public sector from direct and indirect taxes expanded by 45 per cent, while its current expenditure increased by 28 per cent. Hence, dissaving, i.e. that part of the current public expenditure financed by capital imports and the expansion of credit, declined from IL. 85 millions to IL. 58 millions.

Net income in the non-Governmental sector rose by 12 per cent, while private consumption increased by 12.5 per cent. The small volume of saving accruing from this sector in 1954 seems thus to have been turned into an equally small volume

of dissaving in 1955. The smallness of the amounts saved refers to savings out of national income produced in Israel. Part of the gainfully occupied population presumably had normal saving rates, whereas another part consumed more than it contributed to the national product. Apparently, the savings of the settled population are almost offset by the dissavings of the population not yet settled. In addition, transfer payments from abroad, such as restitution, increased personal incomes but are not included in national income as they are not produced in Israel. Thus, personal savings far exceeded private saving out of the national income, as seen in Table 9.

**TABLE 9**  
CAPITAL IMPORT, INVESTMENT AND SAVING, 1954 AND 1955  
(in IL. millions, at current prices)

	1 9 5 4	1 9 5 5	Changes	
			in IL. millions	in per cent
<b>A. Saving:</b>				
1. Gross Investment	449	605		
less Depreciation	—100	—120		
Net Investment	349	485	+136	+40
2. Import	673	797		
less Export	—243	—250		
Capital Import (1—2)	430	547	+117	+27
3. Net Saving	—81	—62	+19	
<b>B. The Financing of Saving:</b>				
1. Taxes by Public Authorities				
Direct Taxes	125	167		
Net Indirect Taxes	176	270		
Total Taxes	301	437	+136	+45
less Purchases by Public Authorities	—386	—495	+109	+28
Saving by Public Authorities	—85	—58	+27	
2. Disposable Income	1,336	1,496	+160	+12
less Private Consumption	—1,332	—1,500	+168	+12.5
Private Saving	+4	—4	—8	
3. Total Financing of Saving	—81	—62	+19	

SOURCE: Calculations of the Bank of Israel.

One of the reasons for the reduction in Government dissaving in 1955 was the absorption of a greater part of the national income by Government taxes.

The burden of direct taxes increased from 8.5 per cent of national income received in 1954 to 10 per cent in 1955 and the share of disposable income fell accordingly. The share of private consumption decreased to a lesser extent, from 91 per cent in 1954 to 90 per cent in 1955. The weight of indirect taxes, most of which fall on private consumption, increased from 12 per cent to 16 per cent of income received.

TABLE 10

NATIONAL INCOME RECEIVED, DISPOSABLE INCOME AND PRIVATE CONSUMPTION, 1954 AND 1955

	1 9 5 4		1 9 5 5	
	<i>in IL. millions</i>	<i>in per cent</i>	<i>in IL. millions</i>	<i>in per cent</i>
National Income Received	1,461	100.0	1,663	100.0
<i>Less</i> Direct Taxes	125	8.5	167	10.0
Disposable Income	1,336	91.5	1,496	90.0
Private Consumption	1,332	91.0	1,500	90.0
Indirect Taxes *	176	12.0	270	16.0

\* Including indirect taxes of the Government and of the local authorities, less subsidies, as well as dues paid to National Insurance by employers and independent earners, income of the Post Office, etc.

SOURCE: Calculations of the Bank of Israel.

In order to obtain a complete picture of the incomes and expenditures of earners, one must take into consideration transfer incomes as well as disposable income, as shown in Table 10. Transfer income together with disposable income totals personal income. According to the balance of payments, private persons received from abroad during 1954 and 1955 most of the sums specified in Table 11. In addition to these items, it is possible that the item Private Transfers, not shown in Table 11, includes transfers of income as well as capital transfers.

TABLE 11

TRANSFERS TO PRIVATE PERSONS FROM ABROAD, 1954 AND 1955

*(in \$ millions)*

	1954	1955
Personal Restitution Payments from		
Germany	6.1	18.8
Gifts	6.5	9.5
<i>Total</i>	12.6	28.3
<i>Total (in IL. millions)</i>	22.7	50.9

SOURCE: Calculations of the Bank of Israel.

Moreover, in addition to income transferred from abroad, there also exist transfer incomes whose source is in Israel. This includes pensions, donations for the upkeep of philanthropic institutions and the like. No comprehensive statistical data of this income are available.

Payments of transfer incomes by the Government, local authorities and national institutions to private persons (including non-profit organisations) totalled some IL. 54 millions during the financial year 1954—55\*. If transfer payments from abroad and from the public sector reached such proportions, aggregate personal income was appreciably higher than the amounts shown in Tables 9 and 10 — possibly by as much as 10 per cent. It may therefore be assumed that private saving considerably exceeded the amount shown under this head in Table 9.

\* Estimate by Dr. M. Barkai, in his investigation "The Public Sector and Its Monetary Accounts 1948 to 1955" (about to be published by the Falk Foundation for Economic Research in Israel).

## 8. NATIONAL ACCOUNTS

The national accounts for the years 1954 and 1955, from the point of view of their resources and the use of these resources are given in Tables 12 and 13.

**TABLE 12**  
THE NATIONAL ACCOUNTS, 1954 AND 1955  
(in IL. millions)

	1954 at current prices	1955		Changes in per cent	
		at current prices	at 1954 prices	in volume	in prices
<i>Resources Available</i>					
<i>to the Economy</i>					
Disposable Income	1,336	1,496			
Direct Taxes	125	167			
National Income Received	1,461	1,663			
Indirect Taxes *	227	313			
less Subsidies	—51	—43			
Net Indirect Taxes	176	270			
Amortisation	100	120	109	+ 9.0	+10.0
Gross National Product	1,737	2,053	1,909	+ 9.9	+ 7.7
Import	673	797	748	+11.1	+ 6.5
<b>Total Resources</b>	<b>2,410</b>	<b>2,850</b>	<b>2,657</b>	<b>+10.2</b>	<b>+ 7.3</b>
<i>Use of Resources</i>					
Government Expenditure	271	343			
Expenditure of					
Local Authorities	81	105			
Expenditure of					
National Institutions	34	47			
Total Consumption of					
Government and					
Public Institutions	386	495	454	+17.7	+ 9.1
Private Consumption	1,332	1,500	1,416	+ 6.3	+ 5.9
Export	243	250	237	— 2.3	+ 5.3
Gross Investment	449	605	550	+22.5	+10.0
<b>Total Resources Used</b>	<b>2,410</b>	<b>2,850</b>	<b>2,657</b>	<b>+10.2</b>	<b>+ 7.3</b>
Population (in thousands)	1,689	1,750			

\* Including indirect taxes of the Government and the local authorities as well as collections of national insurance from independent workers and employers, and income of the Post Office Bank.

SOURCE: Calculations of the Bank of Israel. National income in 1954 according to provisional estimates by Dr. Daniel Creamer, the Falk Foundation for Economic Research in Israel.

**TABLE 13**

**RESOURCES AND THEIR USE PER HEAD OF THE POPULATION, 1954 AND 1955**  
(in IL.)

	1954 <i>at current prices</i>	1955		<i>Changes in constant prices (in per cent)</i>
		<i>at current prices</i>	<i>at 1954 prices</i>	
<i>Resources Available to the Economy</i>				
Disposable Income	791	855		
Direct Taxes	74	95		
National Income Received	865	950		
Net Indirect Taxes *	104	154		
Amortisation	59	69		
Gross National Product	1,028	1,173	1,091	+ 6.1
Import	399	455	427	+ 7.3
<i>Total Resources</i>	1,427	1,628	1,518	+ 6.3
<i>Use of Resources</i>				
Total Consumption by Government and Public Institutions	229	283	260	+13.5
Private Consumption	789	857	809	+ 2.5
Export	144	143	135	- 7.2
Gross Investment	265	345	314	+18.5
<i>Total Resources Used</i>	1,427	1,628	1,518	+ 6.3

\* *Indirect taxes after deduction of subsidies. See note following Table 10.*

SOURCE: *Table 12.*