

The rate of personal income tax which the Canadian in some brackets paid in 1943 was as high as the highest paid in the world. Because of the removal of the compulsory savings portion, this statement no longer applies.

Here is what a single man, a married man and a married man with two children in the province of Ontario paid in the last year of peace, in 1943 and 1944 and will pay in 1945:

1938	1943	1944	1943	1944	1944, 1945
Total Ontario and Federal Tax	Total Federal Tax		Savings Portion Refundable after the war		Net Tax
	<u>Single</u>				
\$ 22	367	307	120	60	247
74	826	726	200	100	626
265	2,128	1,928	400	200	1,728
940	5,112	4,712	800	400	4,312
7,108	19,196	18,796	800	400	18,396
	<u>Married, No Children</u>				
-	200	150	100	50	100
22	651	526	250	125	401
177	1,878	1,628	500	250	1,378
779	4,762	4,264	1,000	500	3,762
6,770	18,446	17,946	1,000	500	17,446
	<u>Married, Two Children</u>				
--	49	37	24	12	25
--	434	326.50	217	108.50	218
118	1,662	1,362	600	300	1,062
660	4,546	3,946	1,200	600	3,346
6,499	18,230	17,630	1,200	600	17,030

1944 Tax will be the Net Tax plus $\frac{1}{2}$ savings portion for 1943. The compulsory savings have been reduced to $\frac{1}{2}$ for 1944.

1945 Tax will be as shown in the Net Tax column, since the savings portion has been entirely removed for 1945.

The maintenance of the price ceiling and prevention of a rise in the cost-of-living have been an increasingly difficult job. Despite the wage and price ceilings, producers and merchants have continued to face rising costs. In the case of imports, increased transportation costs and the rise in the cost of raw materials or of labour in the foreign country concerned make the cost higher in Canada. In some cases the importer has had to change to new, higher-cost sources of supply because of the war.

In the case of domestic products, the rise in costs has been due to a number of causes, among which are higher import prices in many cases, higher labour turnover, higher wages (agriculture and fishing were excluded from the Wartime Wages Control Order) and higher operating costs.

Among the steps which have been taken by the government in different instances to maintain ceiling prices in Canada in the face of such unavoidable cost increases are the following:

1. The adoption of standardization, simplification and other measures to effect cost economies.
2. Arranging for the industry concerned to absorb the rise by sharing the "squeeze" between manufacturers and distributors.
3. The removal or reduction of duties and taxes on certain imports.
4. The payment of subsidies or government bulk purchase of certain products which are then sold through normal channels of trade at prices commensurate with the retail price ceiling.