

Miscellaneous Levies

These are not generally referred to as taxes, but they are similar to taxes in many ways.

Unemployment Insurance

For the last 23 years, a national programme of unemployment insurance has been in operation in Canada. Essentially, it provides relief to those qualified persons who temporarily find themselves without work. It is administered by a federal commission appointed for this purpose and financed by equal contributions from employers and employees plus a contribution from the Federal Government. The amount paid into the fund by employee and employer is directly proportional to the weekly wages of the employee. The rates of contributions are as follows:

<u>Range of earnings</u>	<u>Weekly contributions</u>	
	<u>Employer's</u>	<u>Employee's</u>
less than \$ 9.00	10¢	10¢
\$ 9.00 to \$15.00	20¢	20¢
\$15.00 to \$21.00	30¢	30¢
\$21.00 to \$27.00	38¢	38¢
\$27.00 to \$33.00	46¢	46¢
\$33.00 to \$39.00	54¢	54¢
\$39.00 to \$45.00	60¢	60¢
\$45.00 to \$51.00	66¢	66¢
\$51.00 to \$57.00	72¢	72¢
\$57.00 to \$63.00	78¢	78¢
\$63.00 to \$69.00	86¢	86¢
\$69.00 and over	94¢	94¢

The wage ceiling for insurability is \$5,460 a year.

Workmen's Compensation

Legislation in force in all provinces provides compensation for personal injury suffered by workmen as a result of industrial accidents. In general, these provincial statutes establish an accident fund administered by a board to which employers are required to contribute at a rate proportional with the hazards of the industry.

Hospital Insurance

A federal-provincial hospital insurance plan has now been adopted by each of the ten provinces. Under this arrangement, the Federal Government pays approximately half the cost of hospitalization for patients who are participants under the plan. The provinces meet the rest of the cost. Provincial revenues for this purpose are raised by various means. Quebec has increased its personal and corporation income tax. Certain provinces require the deduction of a monthly premium from the wages of their residents as a contribution or premium for the plan. In such provinces non-salaried people must also pay the premium directly if they wish to be covered by the plan. In some other provinces the proceeds of a retail sales tax are earmarked in whole or in part for the support of the hospital plan.

This explanatory paper is not an official interpretation of any of the taxing statutes. The administration of federal taxing statutes is the responsibility of the Minister of National Revenue. The provincial and municipal taxes are administered by provincial and municipal government departments.