

Following are Dominion government expenditures and revenues since 1939:

	1939-40	1940-41	1941-42	1942-43 (Estimated)	1943-44 (Budget)
	Millions of Dollars				
War Expenditures:					
Army.....	68	383	511	1,038	1,787
Navy.....	11	88	129	210	489
Air Force.....	33	176	371	617	1,129
Dept. of Munitions and Supply.....	...	80	253	679	166
War Services Dept. ....	...	2	3	9	12
Miscellaneous Depts. 6		23	73	171	307
United Nations financial assistance (budgetary).....	...	...	...	1,000 <sup>x</sup>	1,000 <sup>xx</sup>
Total War Expenditure	118	752	1,340	3,724	4,890
Other Govt. Expenditures.....	563	498	545	663	655
TOTAL EXPENDITURES.....	681	1,250	1,885	4,387	5,545
TOTAL REVENUES	562	872	1,489	2,249	2,527
Over-all deficit....	119	378	396	2,138	3,018
Total revenue to total expenditure.	82%	70%	79%	51%	46%
U.K. financial assistance (non-budgetary) <sup>x</sup> .....	104	361	1,053	.....	.....

<sup>x</sup> Financial assistance in 1942-43 provided for in budget and included in war costs. In previous years assistance to the United Kingdom was provided outside the budget as it involved investment or debt redemption rather than expenditures.

<sup>xx</sup> Mutual Aid Act to provide United Nations war equipment, war materials, food.

An indication of the wartime increase in taxation is given in the following tabulation of the principal specific taxes levied by the federal government in the fiscal years 1938-1939 and 1943-44:

	1938-39	1943-44
	(millions of dollars)	
Corporation taxes (including excess profits tax).....	85	850
Individual income tax.....	47	930
Succession duties.....	(not levied)	18
Sales tax.....	122	225
Import duties and taxes (including war exchange tax).....	94	185
Excise duties and taxes.....	78	340
Withholding tax on dividends, interest, etc.....	10	26
Total	436	2,574

TAXATION