

increase of \$146,022,490 over the first eleven months of the previous fiscal year. Income taxes have gone up sharply. Five times as many Canadians as in 1940 are now liable for income tax. This means that about a million people in the lower income brackets are now paying income tax for the first time. Rates for those already paying income tax have been greatly increased. For example, a married man with no children with an income of \$3,000 a year last year paid the Dominion Government \$36. This year he pays \$195, to which sum must be added the amount of his Provincial income tax. For the first eleven months of the fiscal year to February 28, 1941, income tax collections were \$232,179,484, a gain of \$103,627,838 over the previous year. The Federal Government is now taxing at the rate of about \$900,000,000 a year.

#### SPECIAL ECONOMIC MEASURES

In order to preserve her economic effectiveness, Canada has undertaken several special economic measures since the outbreak of war. Steps have been taken to conserve foreign exchange, particularly American exchange, which Canada needs for her war purchases in the United States, to ensure a stable quotation for the Canadian dollar, and to prevent disorderly marketing of securities and movement of capital out of Canada. Measures have also been taken to reduce non-essential imports and to conserve supplies of essential raw materials and machine tools. No undue rise in prices has been allowed and steps have been taken to prevent spiralling wages.