

|  |                         |
|--|-------------------------|
| 14. Household Furnishings, Clothing, Carriages, Motors, etc. (estimated according to procedure in U.S.A. and Australian Census Bureaus)..... | \$1,144,000,000         |
| 15. Specie (held by Government, Chartered Banks, and estimated for public holdings).....   | 202,010,106             |
| 16. Imported Merchandise in store (estimate based on imports during year).....   | 668,460,510             |
| <b>Total Estimated National Wealth, 1920.....</b>  | <b>\$22,482,841,122</b> |

**National Income.**—The national income of Canada is necessarily less than its national production, a total for which is suggested in the general survey of production on pages 216-220 of this volume. If, as pointed out there, there is no reason to suppose that those whose activities are not connected with the production of “form-utilities” are less “productive” in the broad sense of the term than others, the total value of the production of 1920, the year of peak prices, must have been not less than \$5,000,000,000.

In order to arrive at the figure of national income, however, certain heavy deductions from the above amount must be made—deductions especially connected with the maintenance of the industrial equipment of the country—providing not only for depreciation but for obsolescence and replacement by new and improved apparatus of production. Altogether, the charges under this head may have been not less than \$500,000,000. This would leave the 1920 income of the Canadian people at somewhat over \$4,500,000,000, which, it must be remembered, is the national income at “peak” prices.

In countries having an income tax, a certain approximation to the national income may be obtained by taking the aggregate of the incomes assessed for the purposes of the income tax, making allowances for evasion and estimating the income of those whose incomes fall below its lower limits. Thus, in the United Kingdom, it was estimated that before the war half of the national income went to the great masses of people whose incomes were below the lower limit of the income tax—then £160 per annum.

Similarly, in the United States, where the lower limit of the income tax is the same as in Canada, the statistics of incomes assessed for income tax have been used in the study of the aggregate income of the nation, together with material based on statistics of production.

In Canada, the income tax is a newer thing than in either the United States or the United Kingdom; also, in a newer country than either, incomes are to a greater extent received in kind. Both of these considerations render it improbable that so large a percentage of the national income of Canada is brought under the review of the Income Tax authorities as is the case in the other countries mentioned. In the fiscal year ended March 31, 1921, 3,696 corporations and 190,561 individuals paid income tax on incomes aggregating \$912,410,429.<sup>1</sup> Statistics of income for calendar years 1921 and 1922 assessed in the fiscal years 1922 and 1923 are given by provinces in Table 36. The distribution of these incomes by classes of income is given in Table 37, which shows that in the fiscal year ended 1923, 281,182 individuals and 6,010 corporations paid income tax. The former figure may perhaps be compared with the 1,901,227 families enumerated at the census of 1921.

<sup>1</sup> See Hansard of June 22, 1922, pp. 3362-3.