

to \$1,248,000,000 as compared with \$1,133,000,000 in the same period of 1940. The real income was at the rate of \$5,111,000,000 for the year, indicating a gain over 1928, when the maximum of the latest prosperity cycle was reached.

55.—National Income in Relation to the Population and Number of Gainfully Occupied on a Full-Time Basis, 1919-40

Year	Money National Income	Real Income	Population	Gainfully Occupied on Full-Time Basis	Real Income	
					Per Capita	Per Gainfully Occupied
	\$'000,000	\$'000,000	'000	'000	\$	\$
1919.....	4,087	3,834	8,311	3,208	461	1,195
1920.....	4,614	3,791	8,556	3,353	443	1,131
1921.....	3,735	3,527	8,788	3,107	401	1,135
1922.....	3,762	3,891	8,919	3,132	436	1,242
1923.....	3,945	4,067	9,010	3,194	451	1,273
1924.....	3,854	3,937	9,143	3,167	431	1,243
1925.....	4,161	4,194	9,294	3,212	451	1,306
1926.....	4,494	4,494	9,451	3,326	475	1,351
1927.....	4,682	4,622	9,637	3,469	480	1,332
1928.....	5,138	5,022	9,835	3,641	511	1,379
1929.....	5,149	4,913	10,029	3,742	490	1,313
1930.....	4,326	4,378	10,208	3,703	429	1,182
1931.....	3,498	3,975	10,376	3,454	383	1,151
1932.....	2,893	3,608	10,506	3,286	343	1,098
1933.....	2,795	3,511	10,681	3,243	329	1,083
1934.....	3,171	3,890	10,824	3,364	359	1,156
1935.....	3,381	4,074	10,935	3,455	373	1,179
1936.....	3,829	4,547	11,028	3,551	412	1,281
1937.....	4,342	4,835	11,120	3,703	435	1,306
1938.....	4,246	4,672	11,209	3,691	417	1,266
1939.....	1	-	-	-	-	-
1940.....	1	-	-	-	-	-

¹ According to the tentative monthly compilation, the national income in 1939 was \$4,409,000,000 and in 1940, \$4,784,000,000.

Income Payments as Distinct from National Income.—Income payments to individuals resident in Canada include salaries and wages, workmen's compensation, pensions, dividends, interest, rentals, and withdrawals of working proprietors, which include farmers incomes in kind. The difference, therefore, between income payments and total national income, is the positive or negative savings of enterprises. It has consequently been thought advisable in the present instance to present the distribution by provinces upon an income payment basis.

Provincial Distribution of Income Payments.—Variations in the distribution of the national income among the provinces are due to: (1) long-term factors, such as the proximity of resources, markets and transportation facilities, and the advantages gained by priority of settlement and development; and (2) short-term influences bound up with the diversity and adaptability of economic activity. Fluctuations tend to be extensive in an area dominated by a very few industrial groups. During the twenty years under review, nearly 63 p.c. of the total income payments was received by the residents of Ontario and Quebec, which together had 60·8 p.c. of the population in 1931. Owing to the diversity of economic activities in these provinces, fluctuations in income were less extreme than elsewhere, particularly in the Prairie Provinces.