

The amount of the income of an individual measures his power of demand for goods and services and, consequently, his control over the economic activity of society.

Remuneration of employees in the form of salaries and wages, averaging nearly 59 p.c. of the total, was the chief income payment during the period 1919-42. If living allowances of so-called unpaid labour and other labour income are added, the employee's share would be raised to 62 p.c. Salaries and wages were more than maintained in the second half of the period compared with the first, and a marked increase was shown in "other labour income" including direct relief and dependent's allowances.

The withdrawals of working proprietors, mainly farmers, retailers and professionals, constituted 23·8 p.c. of the total in the 24 years. Owing, in part, to the severe depression in agriculture, the withdrawals of employers and "own accounts" were 15 p.c. less in the second half of the period than in the first.

Investment income, including net dividends, interest from bonds, debentures and mortgages, net rentals and other returns from credit instruments, was computed at 14·2 p.c. of national income payments. An increase of 13 p.c. was shown in dividends and bond interest in the last 12 years of the period over the first, while other investment income recorded a gain of nearly 4 p.c. An increase of 4·4 p.c. occurred in income payments as a whole.

Salaries and wages were more sensitive to economic fluctuation than the remuneration of working proprietors; the latter, which receded from \$1,316,000,000 in 1920 to \$994,000,000 in 1922, recovered fairly continuously to 1929, when an intermediate maximum of \$1,112,000,000 was reached. The low point of the second major depression of about \$715,000,000 was recorded during 1934, successive gains then being shown until the end of the period under review.

*Types of Payment.*—Remuneration of employees in a large number of groups, is taken directly from the compilations of the annual census conducted by the Bureau of Statistics. The Decennial Census furnishes comprehensive information as to numbers, rates and remuneration of employees. Intercensal figures are estimated by means of indexes of employment and other data. Corporation and public accounts are of great assistance in estimating salaries and wages paid by finance and government.

More than one-quarter of a million persons were working as so-called unpaid labour during the census period of 1940-41 without receiving any regular remuneration in the form of salaries or wages. As many of the "no pays" were farmers' sons working at home, the income of at least a part of the group consisted of a living allowance paid principally in the form of food, clothing and housing. Apprentices in other industrial groups, while receiving no money wages, sometimes obtain appreciable compensation in commodities and services. As there is not the customary freedom of disposal, some restriction is implied in the nature of such income.

*Compensation, Pensions, Special Allowances and Direct Relief.*—Workmen's compensation (see pp. 784-789), an important constituent of labour income, is