

in some western municipalities while coal and fuel oil for heating purposes are chargeable in urban areas of Newfoundland. Telephone subscribers are subject to a special levy in Montreal while certain Ontario municipalities impose a tax on the gross receipts of telephone companies.

In most municipalities, a tax is levied directly on the tenant or the operator of a business. In general, business tax rates are lower than those applying to property. Three bases of assessment are in use—a fraction of the property assessment, the annual rental value of the premises, or the area of the premises. Certain municipalities may charge a licence fee instead of a business tax while others will charge both a licence fee and business tax. In Nova Scotia, all but one of the municipalities tax personal property (stock in trade, equipment, etc.) the same as real property.

Subsection 4.—Miscellaneous Levies

These are not generally referred to as taxes but they are similar to taxes in many ways.

Unemployment Insurance

For the past twenty-two years, a national program of unemployment insurance has been in operation in Canada. Essentially, it provides relief to those qualified persons who temporarily find themselves without work. It is administered by a federal commission appointed for this purpose and financed by equal contributions from employers and employees plus a contribution from the Federal Government. The amount paid into the fund by employee and employer is directly proportional to the weekly wages of the employee. The rates of contributions, together with statistics on the operation of the program, are given at pp. 735-741.

Workmen's Compensation

Legislation in force in all provinces provides compensation for personal injury suffered by workmen as a result of industrial accidents. In general, these provincial statutes establish an accident fund administered by a Board to which employers are required to contribute at a rate proportional with the hazards of the industry. See also pp. 743-745.

Hospital Insurance

A federal-provincial hospital insurance plan has now been adopted by each of the ten Canadian provinces. Under this arrangement, the Federal Government pays approximately one-half of the cost of hospitalization for patients who are participants under the plan. The provinces meet the rest of the cost. Provincial revenues for this purpose are raised by various means. The Province of Quebec has increased its personal and corporation income tax. Certain provinces require the deduction of a monthly premium from the wages of their residents as a contribution or premium for the plan. In such provinces non-salaried people must also pay the premium directly if they wish to be covered by the plan. In some other provinces the proceeds of a retail sales tax are earmarked in whole or in part for the support of the hospital plan. See also pp. 224-229.

Section 3.—Federal Public Finance

Subsection 1 of this Section contains tables dealing with statistics of the Federal Government prepared as far as possible in accordance with the classifications, concepts and definitions used in the preparation of provincial and municipal finance statistics. These tables differ from the information presented in Subsection 2 in that the latter has been extracted directly from the *Public Accounts*. Detailed reports published by the Dominion Bureau of Statistics provide reconciliations of revenue, expenditure and debt as set out in Subsections 1 and 2. The *Public Accounts* presentation is retained for continuity and also because there is interest in and use for information on this basis.