

*Personal Income, Personal Saving and Spending.*—Personal income amounted to \$18,096,000,000 in 1953, an increase of 6 p.c. over 1952 which, in turn, showed a gain of 9 p.c. over 1951. Wages, salaries and supplementary labour income rose 8 p.c. in 1953, or somewhat more than the increase in the total of personal income. Interest, dividends and net rental income of persons increased by 8 p.c., while the combined total of farm and non-farm net income of unincorporated business dropped by 5 p.c. Government transfer payments (excluding government interest) rose by 7 p.c. to \$1,469,000,000 in 1953; increases in unemployment insurance benefits, old age security payments and family allowances accounted for the greater part of the gain. The increase in the total of government transfer payments in 1953 was much smaller than in the preceding year, when they showed a gain of 32 p.c., as a result of the introduction of Federal Government old age security payments.

Personal direct taxes rose by \$109,000,000 or by 8 p.c. over 1952. The increase was almost entirely attributable to the rise in personal income-tax collections by the Federal Government. The major factor in this increase was the advance in personal income, which yielded higher tax collections despite a reduction in the over-all tax rate which became effective at mid-year. As a percentage of personal income, personal direct taxes were 7.7 p.c. in 1952 and 7.9 p.c. in 1953.

Personal disposable income, that is, personal income less personal direct taxes, rose by \$855,000,000, or 5 p.c. over 1952. Personal expenditure rose by \$762,000,000 in the same comparison so that personal saving was higher by \$93,000,000 in 1953.

