types of machinery used in the textile industry was generally reduced or even taken off entirely under the British preferential tariff. For details of these very numerous changes, see c. 17 of the 1928 Statutes.

In 1929 the general rate of the sales tax was reduced from 3 p.c. to 2 p.c. The taxes on certain insurance premiums, on cables and telegrams, and on railway and other tickets were also repealed. The tax on sales or transfers of stocks was so modified as to be levied on the actual value rather than the par value of shares transferred; further, instead of a tax of 3 cents being levied for every $100 par value of shares transferred, the tax was made to vary from one-tenth of a cent per share, where shares are sold at 50 cents each or less, to four cents, where they are sold at over $100 each. A number of changes were made in the Customs Tariff by c. 39 of the 1929 Statutes.

In 1930, the general rate of the sales tax was reduced from 2 to 1 p.c. *Bona fide* co-operative organizations, government or like annuities (to the extent of $5,000), and donations to churches, schools and hospitals (to a maximum of 10 p.c. of the net income of the taxpayer) were exempted from income tax, and the $500 exemption for children was extended to cover certain dependent relatives suffering from mental or physical infirmity. In the customs tariff, the iron and steel schedules were completely revised, seasonal tariffs were adopted in respect of fruits and vegetables, duties were reduced on tea, porcelain and chinaware and meats and increased on beans and butter, and so-called countervailing duties were imposed in respect of 16 commodities. The year was unusual in that it saw a second tariff revision, namely that of the special session, of September, when the anti-dumping clauses of the tariff were re-written and very many changes were made in rates of duty in the schedules. Increases were made *inter alia* on most agricultural products, on printed matter and manufactures of paper, on numerous commodities in the iron and steel group, on a wide range of textile items and on boots and shoes. Power was granted to the Governor in Council to prohibit the importation into Canada of goods exported to the Dominion from any country not a contracting party to the Treaty of Versailles.

### Subsection 1.—The Current Balance Sheet of the Dominion.

A summary review of the current financial situation of the Dominion as on Mar. 31, 1930, is given in the balance sheet shown in Table 1. This shows the gross debt on the above date to have been $2,544,586,411, partly offset by available assets aggregating $366,822,452, leaving a net debt of $2,177,763,959.[1] Non-available assets, including such public works as canals and railways, also loans to railways, amounted in the aggregate to $1,656,443,062, leaving a debit balance on Consolidated Fund Account on Mar. 31, 1930, of $521,320,897. The details of the various assets and liabilities are contained in the schedules accompanying the balance sheet and printed in the Public Accounts.

[1] The net debt on Mar. 31, 1924, was $2,417,783,275; on Mar. 31, 1925, $2,417,437,686; on Mar. 31, 1926, $2,389,731,099; on Mar. 31, 1927, $2,347,834,370; on Mar. 31, 1928, $2,296,850,233 and on Mar. 31, 1929, $2,225,504,705. See Table 19, p. 853.