deposited at the Mint for sale and to replace the revenue lost by the partial remission of the tax on sugar. It was pointed out that the recent prosperity of the gold-mining industry was due largely to circumstances entirely external to the industry, *viz.*, an increase in the selling price of gold by about 70 p.c. as a result of the chaotic condition of world currencies, the depreciation of our dollar in foreign exchanges and the revaluation of gold in certain countries. As finally approved, the legislation provided for a levy of 25 p.c. on the premium value of gold in place of 10 p.c. on the total value, and it was further provided that the tax should not reduce the amount received by the depositor below $30 per oz. Further, only those mines which had paid dividends continuously since 1933 were made liable to the premium tax on gold, thus relieving from taxation newly developed or low-grade properties which have not, until recently, been operating profitably. Placer gold was also exempted. Producers paying the tax were allowed some compensation in income tax adjustment and in exemption from the usual handling charge at the Mint. Excise duties were changed principally by consolidating the duty of 3 cents per lb. on malt and the gallonage tax of 12½ cents on beer into a single excise duty of 7½ cents per lb. on malt, the net result being a slight reduction in the rate of taxation to which beer was directly or indirectly subject, calculated on a gallonage basis. Reductions under the British preferential customs tariff were made in the case of certain items of major commercial importance, including jute yarns, wide steel plates, salt cake, crude oil not in its natural state, impregnated canvas, and yarns of artificial silk. Numerous chemical commodities of a less important nature were returned to the free list. Duties were imposed under the intermediate or general tariff schedules on pea-nut oil and were increased on certain ferro-alloys. Duties on jute twines were increased under all tariffs. On all imports under the British preferential tariff, the special excise tax was reduced from 3 to 1½ p.c.

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

A summary review of the current financial situation of the Dominion as at Mar. 31, 1933 and 1934 is given in the balance sheets shown as Table **1**. This shows the figures for gross debt on the above dates to have been $2,996,366,665 and $3,141,042,097 respectively, partly offset by active assets aggregating $399,885,839 and $411,063,956, leaving the figures for net debt at $2,596,480,826 and $2,729,978,-141 respectively.* Non-active assets, including such public works as canals and railways, also loans to railways, amounted in the aggregate to $1,785,063,662 and $1,794,558,864, leaving debit balances on Consolidated Fund Account on Mar. 31 of $811,417,164 and $935,419,276 respectively. The details of the various assets and liabilities are contained in the schedules accompanying the balance sheet and printed in the Public Accounts.

* The net debt on Mar. 31, 1925 was $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; on Mar. 31, 1929, $2,225,504, 705; on Mar. 31, 1930, $2,177,-763,959; on Mar. 31, 1931, $2,261,611,936, and on Mar. 31, 1932, $2,375,846,172. See Table 20, p. 908.