

There were no increases in duty under the British preferential tariff. The intermediate rate on furniture was raised from 30 p.c. to 37½ p.c., in each case less a discount of 10 p.c. to most-favoured-nations, as the result of a Tariff Board report received while the House of Commons was in committee. Other increases of the intermediate or general tariff were few in number and of minor importance.

As a result of commercial arrangements with other countries, Canada, during 1937, extended her intermediate tariff to the Panama Canal Zone and accorded Brazil most-favoured-nation treatment. All non-self-governing British colonies and specified mandated territories were given most-favoured-nation treatment, and the list of countries entitled to the British preferential tariff was expanded by the addition of a number of non-self-governing colonies not already receiving its benefits. And, finally, the trade agreements with Australia and New Zealand were revised and extended. Canada granted some additional concessions to Australia and New Zealand, of which probably the most important was a reduction of the rate on lamb and mutton from 3 cents per lb. to ½ cent per lb. The reduced rates went into effect on Oct. 1, 1937.

A statement at pp. 811-817 of the 1937 Year Book showed complete details of the Dominion tax system as of July, 1936.

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

A summary review of the current financial situation of the Dominion as at Mar. 31, 1933-37, is given in the balance sheet shown as Table 1. This shows the figures for gross debt on Mar. 31, 1937, to have been \$3,542,521,139, partly offset by active assets aggregating \$458,568,837, leaving the net debt at \$3,083,952,202. Non-active assets, including such public works as canals and railways, also loans to railways, amounted in the aggregate to \$1,833,901,293, leaving a debit balance on Consolidated Fund Account on Mar. 31, 1937, of \$1,250,050,909. The details of the various assets and liabilities are contained in the schedules accompanying the balance sheet and printed in the Public Accounts.

1.—Balance Sheets of the Dominion of Canada, as at Mar. 31, 1933-37.

NOTE.—Dashes indicate that the items were not applicable in the years so indicated.

Item.	1933. \$	1934. \$	1935. \$	1936. \$	1937. \$
ASSETS.					
Active Assets—					
Cash on hand and in banks..	1,555,876	9,874,579	16,296,697	20,243,808	26,239,458
Specie reserve.....	69,875,518	71,406,030	2,443,224	2,236,629	-
Bank of Canada, Class "B" shares.....	-	-	-	-	5,100,000
Railway accounts ¹	14,677,338	17,305,439	33,884,413	46,087,498	56,335,222
Advances to provinces, Harbour Commissions, Canadian Farm Loan Board, etc.....	185,226,291	191,920,713	175,034,198	223,788,091	231,014,250
Advances to foreign governments.....	30,494,720	30,494,720	30,494,720	30,494,720	30,494,720
Soldier and general land settlement loans.....	47,711,084	45,219,132	44,648,325	43,594,540	42,477,774
Miscellaneous current accounts.....	50,345,012	44,843,344	57,043,834	59,398,223	66,907,513
Totals, Active Assets.....	399,885,839	411,068,957	359,845,411	425,843,509	458,568,837

For footnotes, see end of table, p. 840.