

by the Governor in Council, and payments shall be conditional upon an agreement being entered into between the Minister of Labour and the government of the province concerned, and such agreements shall be subject in all cases to the approval of the Governor in Council. The Governor in Council may appoint a supervisor of youth training and may make all such orders and regulations as are necessary for the carrying out of this Act.

National Defence.—C. 42, cited as the Defence Purchases, Profits Control, and Financing Act, 1939, establishes a Defence Purchasing Board to control the awarding and performance of contracts for the purchase or manufacture of defence equipment and the construction of defence projects, to limit costs and control profits in respect of such contracts, and authorizes the raising by way of loans of such sums of money as may be required for the payment of expenditures of the Department of National Defence, which in the appropriations provided by Parliament for the Department are chargeable to capital account. The Board is to consist of a Chairman (who shall not, after his appointment as Chairman, be an officer or director of any industrial corporation or company) and not more than three other members, all to be appointed by the Governor in Council. The Board may, with the approval of the Governor in Council, employ such technical and professional officers as are necessary and fix their remuneration. Upon requisition made by the Minister of National Defence, the Board may negotiate, recommend to the Minister of Finance, and, subject to the approval of the Governor in Council, execute a contract and shall have the exclusive power to superintend and enforce the performance of all contracts as defined by the Act. Tenders shall be called for all contracts, except where deemed impracticable, in which cases it is the duty of the Board to ensure that the contracts be secured at a fair and reasonable cost to the Government without unfair profit to the contractor. Proposed contracts for the purchase of defence equipment outside of Canada must be reported by the Board to the Minister of Finance and by the latter to the Governor in Council, with a clear statement of the reasons why any such defence equipment is not to be purchased in Canada. If the net profit received in respect of any contract exceeds 5 p.c. per annum of the average amount of capital employed in the performance of the contract, the contractor shall be taxed by the amount by which the net profit exceeds said 5 p.c. The amount of capital employed, the net profit, and the tax payable, shall be determined by the Board on the basis set forth in the Act. All proposed contracts shall be submitted by the Board to the Minister of Finance, who shall submit them, with his recommendation, to the Governor in Council for approval. (The Act was proclaimed in effect from July 3, 1939.)

Under the Official Secrets Act (c. 49) any person is guilty of an indictable offence who, for any purpose prejudicial to the safety or interests of the State, approaches, inspects, passes over, or is in the neighbourhood of, or enters any prohibited place, makes sketches or plans, or obtains or communicates to another person information useful to a foreign power; or who unlawfully communicates, uses, retains, or fails to guard secret official documents or information in his possession or to which he has access; or who without lawful authority receives, retains, or allows others to have possession of such official information; or who, for any purpose prejudicial to the interests of the State makes unauthorized use of official uniforms or uses or has in his possession without lawful authority any die, seal, or stamp of any Government Department or diplomatic, naval, military, or air force authority, or any die, seal, or stamp so nearly resembling any such die, seal, or stamp as to be calculated to