

The Income War Tax Act (c. 97, R.S.C. 1927) is amended by c. 6. A war surtax of 20 p.c. is made on the rates previously applicable to persons other than corporations and joint stock companies. The ordinary corporation rate is raised from 15 p.c. to 18 p.c. and that of consolidated corporations from 17 p.c. to 20 p.c. Deductions and exemptions from income are allowed up to 50 p.c. of the net taxable income actually paid to, and receipted for as such, by any approved patriotic organization in Canada.

By c. 4, the Excess Profits Tax Act, a tax is imposed on every person resident in Canada or who, not being resident, is carrying on business in Canada. Such tax is on profits derived from trade or business operations and according to the Schedule of Rates appended to the Act. Certain deductions and exemptions are allowable and details of how returns are to be made and taxes paid are laid down. The Act applies to the profits of the year 1940 and all periods ending therein after Mar. 31, 1940, and to subsequent periods.

National Revenue.—Schedule A of the Customs Tariff (c. 44, R.S.C. 1927), is amended by c. 2 by the imposition of additional specified rates of duties on certain kinds or grades of imported spirits, wine, beer, tobacco, cigarettes, tea, and other items. C. 5 amends the Excise Act, 1934 (c. 52, 1934) in relation to the duties on spirits, beer, malt and malt syrup, and tobacco, cigars, and cigarettes. Duties are raised on beer brewed from any substance other than malt, screened malt, and malt syrup produced in or imported into Canada, and on manufactured tobacco of all descriptions except cigarettes and on cigarettes weighing not more than 3 pounds per thousand.

The Special War Revenue Act (c. 179, R.S.C. 1927) is amended by c. 8 as regards the excise taxes on wines and sparkling wines sold by the Canadian manufacturer but not exported. In the former case the tax is increased from 7½ cents to 15 cents per gallon and in the latter from 75 cents to \$1.50 per gallon. A tax of 2 cents per pound is imposed on carbonic acid gas and similar preparations used for aerating non-alcoholic beverages.

Administration.—The organization of a Department of Munitions and Supply, under a Minister, is provided for by c. 3. The Minister is vested with full authority for carrying out the powers and duties set forth. The Minister shall examine into and organize the resources of Canada contributory to, the sources of supply of, and the agencies available for the supply of munitions of war and war supplies and for the execution of defence projects, and shall explore and estimate the present and prospective needs of the Government and the community in respect thereto, and generally take steps to mobilize, conserve, and co-ordinate the economic and industrial facilities available in respect of munitions, supplies, and defence projects for the prosecution of the war. Where there has been refusal to enter into contract, the Minister may enforce fulfilment of contracts to deliver supplies and may commandeer storage space or supplies on such terms as he deems fair and reasonable and arbitration is allowed for through a panel of arbitrators appointed by the Minister. By c. 7 the salary of the Minister of Munitions and Supply is fixed at \$10,000. (The Act was proclaimed in effect from Apr. 9, 1940.)

Miscellaneous War Legislation.—The Canadian Patriotic Fund is incorporated by c. 1. The objects of the Corporation are to promote co-ordination and co-operation between existing organizations and to provide, if any need shall arise, for the assistance of needy wives, children, and dependants, resident in Canada,