of the first problems that the Government has faced directed to the transition period and with the object of putting labour and materials to work with as little dislocation as possible to the worker, his way of living and the economy of the country.

On Nov. 29, 1943, the Crown Assets Allocation Committee was established to obtain, from all Government Departments and agencies, information as to the actual and probable surplus assets or other material that would have to be disposed of and to authorize the transfer of such assets from one Department where they were surplus to another Department requiring them. The Committee must also advise the Cabinet on questions of general policy as to the holding, use or disposal of surplus assets. Their actual disposal is handled by a Crown Company —War Assets Corporation—established Dec. 8, 1943. The Board of Directors is assisted by an advisory committee of experts and specialists who will advise on the many problems as they arise and a working liaison is established with the Wartime Prices and Trade Board so that the sale of any war surpluses will be brought within the various price formulae under the price-ceiling policy.

Various lines of industry and business have, on their own initiative, continued a gradual process of readjustment of operations to increased civilian production. They have been encouraged to do this by various actions on the part of the Dominion Government. Business has carried a particularly heavy burden of war taxation. All profits of every corporation are first subject to an income tax of 18 p.c.; then to an additional flat rate profits tax of 12 p.c.; and finally to a rate of 100 p.c. on profits in excess of pre-war "standard" profits. Where the 100 p.c. rate applies, the corporation is entitled to a post-war refund of 20 p.c. There is also a proviso that the minimum tax must be at least 40 p.c. of total profits. In addition, profits reaching the shareholder in the form of dividends are subject to the personal income tax of the recipient. Lastly, it must be remembered that, at a time when costs are increasing all along the line, price control itself sets a limit on profits. The latest Budget presented to the House of Commons, namely that on June 26, 1944, contained a number of changes in the corporation income tax and the excess profits tax designed to meet the problem of conversion from war to peace production such as: (1) Provision to spread losses over a period of several years for taxation purposes; (2) Increased allowances for research expenditures; (3) Double depreciation on new capital investments made after a date to be set; (4) Permission in approved cases to assign the refundable excess profits tax as security for loans where such loans are to be used for capital expenditures in preparation for post-war business; (5) Permission to adjust standard profits upwards by 5 p.c. of increased capital employed since the excess profits tax was introduced; (6) Establishment of a flat rate of taxation for the first period of operations of a new business; (7) Provision for charging against profits income one-half maintenance and repair expenditures in a set period.

The Wartime Prices and Trade Board has removed many of its restrictions on the production of finished civilian articles in order to enable manufacturers to plan for the reconversion period and to resume production as soon as materials and labour are available. The Department of Munitions and Supply has rescinded the order (in force since 1940) requiring a machine-tool control permit for the making of a new model. This action will assist experimental work in the development of post-war models of automobiles, refrigerators, radios, dish-washing machines, etc. Despite these relaxations, manufacturers have been warned that fabrication of the commodities concerned will be conditional upon the availability of materials and