

the average rate of the tobacco tax is 10 p.c. Specific sales taxes on tobacco products are also levied in New Brunswick, Quebec and Manitoba, and Ontario has enacted a tax on tobacco products to come into effect upon proclamation and simultaneously to replace retail sales tax on such items.

Retail Sales Taxes

Retail sales taxes are levied on the final purchaser or user and are collected by the retailer. Eight provinces now levy this type of tax at rates varying from 3 p.c. to 6 p.c. These provinces are Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Quebec, Ontario, Saskatchewan and British Columbia. These direct levies apply to tangible taxable commodities sold for consumption in the province and to a few selected services, for example, to local telephone services in all provinces and to telecommunications and hotel and motel charges in Quebec.

Amusement Taxes

Each of the provinces with the exception of Alberta, Saskatchewan, British Columbia and Quebec has a tax on admission to places of entertainment. In addition, there is generally a licence fee imposed on the operator or owner of these amusement places. The tax on admissions is within the range of 5 p.c. to 15 p.c.

Gasoline and Diesel Fuel Oil Taxes

Each of the ten provinces imposes a tax on the purchase of gasoline by motorists and truckers. The rates vary from 12 cents per gallon in Alberta to 19 cents in Nova Scotia and Newfoundland. The amount of tax borne by one gallon of motor vehicle fuel in each province is as follows:—

	<i>Gasoline</i>	<i>Diesel Fuel</i>		<i>Gasoline</i>	<i>Diesel Fuel</i>
	cts.	cts.		cts.	cts.
Newfoundland.....	19	19	Ontario.....	15	20.5
Prince Edward Island*	18	18	Manitoba	17	20
Nova Scotia.....	19	27	Saskatchewan.....	14	17‡
New Brunswick.....	18	23	Alberta.....	12	14‡
Quebec.....	16	22	British Columbia.....	13	15

Motor Vehicle Licences and Fees

Each province levies a fee on the annual registration of motor vehicles, which is compulsory. Upon registration a vehicle is issued with licence plates. The rates of fee vary from province to province and, in the case of passenger cars, may be assessed on the weight of the vehicle, the wheel base, the year of manufacture, the number of cylinders of the engine, or at a flat rate. The fees for commercial motor vehicles and trailers are based on the gross weight for which the vehicle is registered, i.e., the weight of the vehicle empty plus the load it is permitted to carry. Every operator or driver of a motor vehicle is required to obtain a driver's licence and pay a fee therefor. The licences are valid for periods of from one to five years and the fees vary from \$1.00 to \$2.50 a year.

* Gasoline and diesel fuel used by primary producers—farmers, fishermen, manufacturers and processors—is exempt from tax as is also gasoline and motor fuel used by owners/or operators of registered pleasure craft.

‡ Some relief from taxation is given where gasoline or fuel oil is used for farming, manufacturing, commercial fishing and other off-highway purposes.

‡ Generally, fuel oil used for agricultural and industrial purposes is exempt from tax.