

On motion of Mr. Mackenzie King it was resolved,—That there shall be no intermission between the hours of six and eight o'clock, p.m., this day.

The House then resolved itself again into Committee of Ways and Means.

(In the Committee)

The following Resolution was adopted:—

WAR EXCHANGE CONSERVATION ACT, 1940

Resolved, That it is expedient to introduce a measure to be called the War Exchange Conservation Act, 1940, and to provide—

1. That the importation into Canada of any goods enumerated and described in Schedule One is prohibited except in such cases as the Minister of National Revenue in his discretion deems desirable and under and in accordance with the terms of a permit granted by him: Provided however that this prohibition shall not apply to—
 - (a) any goods imported from, and being of the growth, produce or manufacture of, any country within the sterling area or Newfoundland, except, at the discretion of the Minister of National Revenue, goods composed wholly or in part of silk;
 - (b) any goods which on or before the second day of December, 1940, were in transit to Canada.
2. That notwithstanding anything contained in the preceding resolution, the Minister of National Revenue may, in his discretion, exempt any goods from the operation of the preceding resolution for such periods of time as he may deem desirable and notice of any such exemption shall be published in the *Canada Gazette* and the exemption shall take effect on and after the date of such publication or any later date fixed in such notice.
3. That for the purposes of these resolutions "sterling area" means the territories under the sovereignty, protection, suzerainty or mandate of His Majesty (except Canada, Newfoundland and Hong Kong) and such other territories whether or not under the sovereignty, protection, suzerainty or mandate of His Majesty as may be designated by the Governor in Council.
4. (1) That in the event of any person taking advantage of the prohibition of imports to increase the prices of goods to the consumer or to maintain the prices of such goods at levels deemed by the Governor in Council to be higher than should prevail, having regard to changes in the cost of production of such goods, the Governor in Council may, in addition to permitting entry of such goods, reduce or remove the duties of customs imposed upon such goods.
(2) That in the event of any person taking advantage of the prohibition of imports as aforesaid, the Governor in Council may, for such period of time as he may determine, impose, levy or collect upon all the products of such person or any of them, an excise tax of 25 per cent of the sale price thereof payable by such person at the time of delivery of such goods to the purchaser thereof and the provisions of the Special War Revenue Act as to the collection of taxes imposed by Part XIII of the said Act shall be applicable thereto.
5. (1) That goods enumerated and described in Schedule Two, the growth, produce or manufacture of the United Kingdom, when imported into Canada in a manner and under conditions which entitle such goods to entry under the British Preferential Tariff of Canada, shall be exempt from the rates of duty set out in Schedule