

4. Commodity Taxes.

- (a) Excise taxes repealed on the following items:
 Soft drinks (now 25% plus 1¢ per bottle)
 Candy (now 30%)
 Chewing gum (now 30%)
 Transportation tickets (now 15%)
 Berths and parlor car seats (various rates)
 Long distance calls, extension telephones, telegrams and cables (various rates)
 Transportation buses (now 5%)
 Carbonic Acid Gas (now 50¢ per lb.)
- (b) Excise taxes reduced to 10% at manufacturers' level on the following items:
 Retail purchase tax on jewellery, etc. (now 25% retail)
 Cosmetics and toilet preparations (now 25%)
 Luggage, hand bags, etc. (now 35%)
 Matches (various rates)
 Smokers' supplies, pipes, ashtrays, etc. (now 35%)
 Pens and pencils, desk sets, etc. (now 35%)
 Cigarette lighters (now 25%)
- (c) Tires and tubes - present taxes of 5¢ per pound being converted to 10% ad valorem tax.
- (d) No changes in taxes on liquor or tobacco or in general sales tax rate.
- (e) Minor additions to sales tax exemptions: malt syrup, lactose and off-the-highway vehicles.

The Minister included in a summary of accounts the following estimate of results for the fiscal year 1949-50:

FISCAL YEAR 1949-50
 (After Tax Changes)

Total Revenue (Estimated)....	\$ 2,477 million
Total Expenditure (Estimated)..	2,390 "
Surplus (or reduction in net debt)	<u>87</u> "

TRADE DELEGATION TO FRANCE: The Secretary of State for External Affairs announced on March 24 the composition of the Canadian Delegation to the international conference on trade and tariffs which will open at Annecy, France, on April 8.

The Delegation will be headed by L.D. Wilgress, High Commissioner to the United Kingdom, and will include the following representatives: W.J. Callaghan, Commissioner of Tariff, Department of Finance, Louis Couillard, Department of External Affairs, H.R. Kemp, Department of Trade and Commerce, A.L. Neal, Department of Trade and Commerce, G.N. Perry, Department of Finance, S.S. Reisman, Department of Finance, Dr. A.E. Richards, Department of Agriculture, and B.G. Barrow, Department of Trade and Commerce, who will be Secretary to the delegation.

There will be two sets of meetings at Annecy. The first will be the Third Session of the Contracting Parties to the General Agreement on Tariffs and Trade. The General Agreement was negotiated at Geneva, in 1947, between 23 countries, including Canada, all of which are now applying the Agreement provisionally.

The second set of meetings will take the form of tariff negotiations. The purpose of these negotiations is to permit a number of other countries to join the General Agreement. Thirteen countries have indicated their desire to participate in these tariff negotiations. All of these new acceding countries will participate in tariff negotiations with each other and with the countries which are now Contracting Parties to the General Agreement.

The results of these negotiations will be incorporated in the General Agreement. If all 13 acceding countries are successful in arriving at satisfactory arrangements with all 23 Contracting Parties and with each other, the membership of the General Agreement will be brought to 36 countries.

FOREST CONSERVATION: Realizing the importance of the forest industry in Canada's economy, the Government has provided in estimates recently tabled in the House of Commons; approximately \$1,360,000 for the Dominion Forest Service of the Department of Mines and Resources. The Minister of Mines and Resources, Mr. MacKinnon, advises that these funds will provide for the advancement of forest conservation in Canada generally.

The Dominion Forest Service will conduct essential research to obtain and disseminate basic data on silviculture, including growth, yield and cutting methods, fire protection, and forest inventories designed to produce the optimum use and development of Canadian forest resources on the basis of continuous production.

FRUIT CROP VALUE: Canada's commercial fruit crop in 1948 had a total value of \$46,690,000, showing a slight increase over the 1947 figure of \$46,611,000, according to the Bureau of Statistics. Average prices of most fruits were higher this season than last. Averages for raspberries and grapes were down slightly, and those for strawberries and loganberries were unchanged.

WHEAT STOCKS: Stocks of Canadian wheat in store or in transit in North America at midnight on March 10 amounted to 140,294,000 bushels, showing a decline of 2,702,000 from the preceding week's figure, but 42,484,000 bushels in advance of the corresponding date last year, according to the Bureau of Statistics.