

least 50 per cent of the shares of the Canadian company. This provision was amended so that in future the Canadian company will have to be 100 per cent owned by the Dutch parent company and the rate will be 2½ per cent. If the company is 100 per cent owned, however, and all of its income is received from sources outside Canada, the tax exemption provision will continue to apply.

Finally, in September a Norwegian delegation came to Ottawa and preliminary discussions were held. Early in November the Minister of Finance announced that, for the purpose of revising the Canada-United States Succession Duty Convention, discussions would be held with United States officials, in order to take account of the new Canadian Estate Tax Act which had replaced the Dominion Succession Duty Act.

In these last two cases the Minister of Finance announced in advance that discussions would be held and the public was invited to make their views known.

Canada has now eleven comprehensive income tax conventions (of the type outlined above for Finland) with the United States, the United Kingdom, New Zealand, France, Sweden, Netherlands, Ireland, Denmark, the Federal Republic of Germany, the Union of South Africa and Australia. Conventions with Belgium and Finland, and the supplementary convention with the Netherlands, are expected to come into force within the next few months. There is also one other convention, limited to air and shipping profits, with Argentina, in addition to four conventions, on the double taxation of shipping profits only, with Greece, Italy, Japan and Norway.

Moreover, Canada has entered into agreements for the avoidance of double taxation of estates with the United States, the United Kingdom, France, Ireland and the Union of South Africa.