

The Budget—Resolutions

4. That the present exemption for certain machinery and apparatus to be used in manufacture or production be withdrawn by repealing the exemption for all goods mentioned under the headings "Machinery and Apparatus to be Used in Manufacture or Production" and "Engines" in Schedule III of the said act and by repealing the exemptions for

(a) "Seismic shot-hole casing and materials used in the manufacture thereof;"

(b) "Materials (not including grease, lubricating oils or fuel for use in internal combustion engines) consumed or expended directly in the process of manufacture or production of goods."

(c) "Diesel fuel oil when used in internal combustion engines used in logging operations and in the manufacture of rough lumber."

(d) "Diesel fuel oil when used in internal combustion engines at mines to generate electricity for use in mining operations and other purposes connected therewith."

(e) "Tires and tubes for use exclusively on the machinery enumerated in Customs Tariff item 411a."

(f) Goods enumerated in Customs Tariff items 364, 399a, 399b, 399c, 411a, 417, 431h, 439c, 666, 667, 848, 848a and 848b.

5. That any enactment based on paragraph 4 of this resolution provide that traction engines for farm purposes and accessories therefor (not including machines and tools for operation by such engines) and complete parts of all the foregoing, and materials to be used exclusively in the manufacture of the said engines, accessories or parts be exempt from sales tax.

6. That any enactment based on paragraph 4 of this resolution provide that farm wagons, including four-wheeled farm wagons equipped to be tractor drawn and farm sleds, and materials to be used exclusively in the manufacture thereof be exempt from sales tax.

7. That feeds for fish, supplements for addition to such feeds, and materials to be used exclusively in the manufacture of such feeds or supplements be exempt from sales tax.

8. That the exemption from sales tax for materials for use in the equipment and repair of ships over ten tons net register tonnage be restricted to materials for use in the equipment and repair of ships to be used exclusively for commercial purposes.

9. That the present exemption from sales tax for "Bakers' cakes and pies including biscuits, cookies or other similar articles;" be changed to read "Bakers' cakes and pies including biscuits, cookies and similar articles but not including simulated chocolate bars or candy bars;"

10. That the export duty of three one hundredths of one cent per kilowatt hour on electrical power exported from Canada be repealed.

11. That the said act be further amended by adding thereto the following part:

PART III

Securities Sales Tax

11. (1) In this part,

(a) "designated corporation" means a corporation that was at the relevant time resident in Canada, any of the shares of which of any class were, within a period of two years immediately before that time, listed on a stock exchange;

(b) "eligible purchaser" means any purchaser of shares of a designated corporation who was at the relevant time

(i) an individual resident in Canada who had been resident in Canada for a period of not less than two years immediately before that time,

(ii) a corporation resident in Canada having a share capital, in any case where the number of votes attaching to the shares of the corporation that were owned by one or more individuals or corporations described in any of subparagraphs (i), (iii), or (iv) or this subparagraph, exceeded 50 per cent of the total number of votes attaching to all of the shares of the corporation, and where, by reason of the beneficial ownership of any shares or other securities of the corporation or any agreement in writing, one or more individuals or corporations so described were in a position to or were entitled to elect or cause to be elected a majority of the directors of the corporation,

(iii) a corporation resident in Canada having no share capital, a majority of the directors and of the other members of which were individuals described in subparagraph (i), or

(iv) and individual or corporation wherever resident who purchased the shares of the designated corporation as a trustee under an employees' pension plan or under any trust constituted exclusively for charitable purposes, the right of appointment or removal of whom was exercisable by one or more individuals or corporations described in any of subparagraphs (i), (ii) or (iii);

(c) "resident vendor" means a vendor of shares of a designated corporation who was at the relevant time resident in Canada;

(d) "share" as applied to any corporation means a share of that corporation of any class, other than a share

(i) the owner of which is entitled only to a fixed cumulative preferred dividend, and

(ii) to which no vote is attached under any