

Finance Minister's Announcements: Aimed at conserving Canada's rapidly dwindling supply of U.S. dollars, sweeping, though temporary, emergency measures headed by drastic import and travel restrictions and a \$300,000,000 American loan were announced Monday night by Finance Minister Abbott following Prime Minister King's broadcast from London. These were effective at midnight.

Both Mr. King and Mr. Abbott stressed the temporary nature of the restrictions. The Prime Minister told Canadians, "You will read with mixed feelings the news in tomorrow morning's papers. You will be greatly pleased to learn of the vastly enlarged opportunities for Canadian trade. You will be disappointed to learn of the necessity for immediate though temporary restrictions to prevent a too rapid depletion of our reserves of United States dollars." Mr. Abbott added later that the duration of the temporary import and travel restriction would depend on progress made in Canada's long term dollar saving program.

Here are highlights of the new restrictions:

1. Short-term \$300,000,000 credit from the U.S. Export-Import bank to fill in the gap until the import and travel bans become fully effective.

2. Outright import restrictions on such items as automobiles, jewelry, candy, novelties, typewriters, radios, refrigerators, washing machines, out-of-season fruits, canned goods and furniture.

3. Import quota restrictions to be imposed on oranges, grapefruit, lemons, fruit juices, potatoes, apples and onions as well as all textiles other than raw materials and yarns.

4. Canadian dollar is to be maintained at its present level and will not be devalued.

5. Imposition of an excise tax of 25 per cent on a wide variety of durable consumer goods containing a high percentage of parts or materials from the U.S., and including sporting goods, outboard motors, pleasure launches, fire-arms, oil burners, motorcycles, musical instruments, cameras, radios, phonographs, as well as most electrical appliances of all types.

6. Tax on automobiles is to be increased from 10 per cent to 25 per cent on the value up to \$1,200 with 50 per cent applying to the additional value up to \$2,000 and 75 per cent on the excess over \$2,000. Taxes to apply on manufacturers' price.

7. Canadians to be limited to \$150 each in U.S. funds for pleasure travel. Health, educational and business trips requiring U.S. funds to be considered on individual applications.

Mr. Abbott at the same time announced tax reductions designed to lower the prices of some essential goods in Canada. They include removal of the one cent per pound excise tax on sugar, removal of the import duty on tea, reduction of duty on coffee and elimination of the eight per cent sales tax on electricity and gas used for domestic purposes.

The Minister of Finance also outlined a plan to assist rapid and substantial increase in Canada's gold output by defraying for three years the costs of additional gold production above the amounts produced in the year ended June 30 to the extent of \$7 for each fine ounce of additional production. (Citizen)

Mr. King Receives Order of Merit: Prime Minister Mackenzie King on Monday accepted from the King membership in the Order of Merit, restricted to 24 members, and the highest award His Majesty can bestow which does not carry a title.

The Prime Minister, first Canadian to receive the honor, spent five hours with the Royal Family, and personally gave Princess Elizabeth an invitation to visit Canada with her prospective bridegroom, Lieut. Philip Mountbatten, as soon as possible after the Royal Wedding Thursday, a C.P. Cable from London announced today.