

## HIGHLIGHTS OF 1968-69 BUDGET

A 2 percent Social Development Tax was introduced by Finance Minister E.J. Benson when he presented the budget for 1968-69 to the House of Commons on October 22. The new tax on personal income has a ceiling of \$120 a year and is effective on January 1.

Mr. Benson, who forecast a deficit of \$675 million hoped that there would be a small surplus of \$5 million next year.

Apart from the Social Development Tax, the main changes announced in the budget are as follows:

Corporation income tax will be imposed on life insurance companies, which, up to now, have been virtually exempt from federal taxation. In addition, a tax of 15 per cent will be levied on part of the investment income earned by insurance companies.

Income accruing on life insurance policies will be taxed as personal income when the policy is cashed in or sold by the policy-holder.

Payments of corporation tax will be speeded up by two months.

Tax deductible reserves at present allowed to banks and mortgage companies will be reduced by 50 per cent.

The estate tax has been changed so that a surviving wife or husband will be exempt from it, and an exemption has been set of \$10,000 for each child. Other estate taxes have been increased.

Gifts between husband and wife will be exempt from tax.

Medical bills paid under approved medicare plans will not be accepted as exemptions from income tax.

## ARCTIC OIL RUSH

Permits for oil and gas exploration granted since July 1, covering over 70 million acres in the Canadian Arctic, have pushed the petroleum industry's stake in the North to an all-time record. Northern Development Minister Jean Chrétien said recently that, up to July 1, the oil-and-gas industry had held 190 million acres under permit in the Yukon and the Northwest Territories.

The land rush in the Canadian North, he said, was given an added impetus by the discovery of oil near the coast of Alaska earlier this year. An additional 8.6 million acres of Crown Reserve Lands in the potentially oil-rich Canadian Arctic went on sale in Ottawa at the end of October.

The discovery of oil at Prudhoe Bay in Alaska confirmed the expectations of Arctic geologists. The sedimentary area geologically favoured for oil stretches from Point Barrow in Alaska to Ellesmere Island, and in a southeasterly direction across the northern Yukon and down the MacKenzie through the Northwest Territories.

Exploration permits for a total of 52.3 million acres have been acquired in the high Arctic islands and in the Arctic offshore, where oil-company holdings previously totalled 87 million acres. Holdings in the high Arctic include 44 million acres held by

Panarctic Oils Ltd., which mounted a \$20-million exploration programme this year. Panarctic, which is 45 per cent government-owned, is scheduled to drill its first well on Melville Island early next year. (See also *Canadian Weekly Bulletin*, Vol. 23, No. 33, P. 5 and Vol. 23, No. 34, P. 1.)

## CANADA'S OLYMPIC SHOWING

A thrilling performance by riders and horses on the final day brought Canada a gold medal in the nineteenth Olympic Games at Mexico City.

Before a large and enthusiastic crowd in the Olympic Stadium, three Ontario riders, Jim Elder of Aurora, Tom Gayford of Gormley, and Jim Day of King City emerged victorious from a gruelling eight-hour test to win the top honours in the Grand Prix des Nations team-jumping event.

In addition to this gold medal, Canada collected three silver medals and one bronze, all won by the swimming team. Elaine Tanner of Winnipeg, Manitoba, and Vancouver, British Columbia, sped to second-place finishes in the 100- and 200-metre backstroke events, and teamed up with Angela Coughlan, of Burlington, Ontario, Marilyn Corson, of Parry Sound, Ontario, and Marion Lay, of Vancouver, for a third-place bronze medal in the women's 400-metre free-style relay. A silver medal was won by Ralph Hutton, of Ocean Falls, B.C., who finished second in the men's 400-metre free-style swim.

## FLEMISH ART EXHIBITION

Eighteen countries will contribute a total of 314 works to an art exhibition of the seventeenth-century Flemish painter Jacob Jordaens, which will open in Ottawa at the National Gallery on November 29.

Queen Elizabeth is lending a tapestry from Holyroodhouse in Edinburgh, and the President of Italy is lending three tapestries from the Palazzo Quirinale in Rome as part of a loan from Italy, which includes two paintings and two drawings. The Museum of Fine Arts in Boston, besides sending two paintings and six prints is lending a tapestry, and a sixth is coming from Brussels. The Kunsthistorische Museum in Vienna is sending tapestries, including one after a painting in the collection of the National Gallery of Canada, "Education of a Prince".

Two works are from religious institutions. One, "The Road to Calvary" is being lent by the Society of Jesus from the St. Francis Xavier church in Amsterdam, which was hung in the church in Jordaens' lifetime; the other, a version of "Four Doctors of the Church", is from Stonyhurst College, a Jesuit school in England.

Countries lending works to the exhibition are: Austria (17), Belgium (27), Britain (57), Canada (5), Denmark (7), France (29), Germany (31), Ireland (3), Italy (6), the Netherlands (22), Norway (1), Poland (3), Romania (3), Spain (2), Sweden (6), Switzerland (4), the U.S.A. (78, including 1 from Puerto Rico), and the U.S.S.R. (12).