

At the session of 1939 he introduced legislation creating a Defence Purchasing Board which shall have the responsibility of letting all defence contracts where the amount is estimated to exceed \$5,000.

Coupled with this legislation is the most drastic provision for the taxation of arms profits ever introduced in any country in the world, even in war-time.

This clause provides that where a contract has been let other than by competitive bidding, all profits in excess of 5% on the capital utilized in the work shall be taxed away.

This culminating measure to a series of progressive steps towards strict profit control indicates the continuous and earnest effort of the Minister of National Defence and the Government of which he is a member to ensure that the great sacrifices, which the people of Canada are called upon to bear in the cause of national defence, shall not be the occasion of profit-making by a few individuals and corporations.

W.L.M. King Papers, Memoranda and Notes, 1933-1939  
(M.G. 26, J 4, volume 159, pages C113389-C114137)

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