

construction of municipal airports; the lighting of Government airports and air routes; the development and construction of radio range sites and the erection of radio range stations with the exception of the installation of radio equipment, which work is done by the Radio Division; the construction of buildings and telephone and power lines; and the calibration and testing of radio aids to air navigation.

Since the outbreak of war this section has been given the added responsibility of assisting the Department of National Defence in the selection and construction of airports to be used under the British Commonwealth Air Training Plan.

International Air Navigation.—A conference between an American delegation, and the Canadian Government represented by the Department of Transport, the Post Office and the Department of External Affairs, took place at Ottawa in the autumn of 1939, to discuss reciprocal arrangements relating to air-transport services. As a result of this, an arrangement was signed between Canada and the United States of America, effective Aug. 18, 1939, covering ten articles between the two countries. This arrangement remains in force for two years and thereafter until terminated on six months' notice given by either party.

Airport-Traffic Control.—The increase in traffic on and around many of the larger airports in Canada has made it necessary, in the interests of public safety, to institute a system of control of traffic in the vicinity of such airports, both on the ground and in the air. A study was made on the ground of traffic-control systems in both the United States and Canada, and regulations were drawn up embodying the best accepted practice on this continent. These regulations, among other things, require that an officer in charge of the control of traffic at an airport must be licensed by the Department.

Aircraft Inspection Section.—This section is responsible for the aeronautical engineering duties of the Department in connection with the maintenance of an airworthiness code and the approval for airworthiness of the design, construction, materials and workmanship of aircraft, aero engines and accessories for commercial and private use in Canada or for export to other countries. In addition, the section provides technical assistance to the Air Regulations Section in the inspection of registered aircraft, investigation of accidents and the examination of applicants for Air Engineers' and Pilots' certificates.

The section acts for the Department in its capacity as agent for the Air Registration Board of Great Britain in respect of the inspection of Imperial Airways aircraft operating between the United States and Bermuda. This inspection work was suspended when the Imperial Airways ceased operating between the United States and Bermuda shortly after the beginning of hostilities.

A grant is made from the appropriations for Civil Aviation as a contribution towards the cost of the Aeronautical Laboratories under the National Research Council. The staff of these laboratories carry out investigations on behalf of the Department for which they are specially equipped. During the year the type testing of the first all-Canadian aircraft engine was completed. This engine was designed and built in Canada with Canadian materials and by Canadian workmanship.