

Re-Establishment Credits.—With very few changes the legislation governing the use of re-establishment credit remains the same as outlined at pp. 1055-56 of the 1946 Year Book. Such changes as have occurred include recognition of the widow of a veteran, if he dies after discharge but before using his credit, as eligible for any remaining credit or, if there is no widow, the veteran's mother if she was wholly dependent upon the veteran immediately prior to his death.

Another change occurs in the Section permitting the use of re-establishment credit in the acquisition of a home under the National Housing Act, in that, credit may now be used to defray up to two-thirds of the difference between the total cost of the home and the amount of the loan, instead of the difference between the lending value and the loan as formerly. Re-establishment credit uses have been extended also to include the acquisition of a unit of living accommodation in a housing project receiving financial assistance under the National Housing Act.

There has been relatively little change from the previous year (see p. 1056 of the 1946 Year Book) in the percentages of credits used for the various purposes. The acquisition of homes has shown a general downward trend with the exception of the Section permitting reduction or discharge of indebtedness which has had a very limited effect on the picture as a whole. The purchase of furniture continues to be the popular purpose, increasing to the point where it accounts for over 54 p.c. of the credit used and approximately 70 p.c. of the applications received. In respect to the other purposes, the trends have been static, varying less than 1 p.c. from the previous year.

At the end of the fiscal year 1946-47 more than \$120,000,000 of re-establishment credit had been authorized for veterans, nearly 80 p.c. of which had been spent on tangible assets connected with a home indicating that this has been a very real form of assistance to veterans faced with an extremely acute housing problem.

2.—Re-establishment Credits Paid, by Purpose for which required, Years Ended Mar. 31, 1945-47

| Item | 1945 | 1946 | 1947 | 1947 |
|---|------------------|-------------------|-------------------|----------------|
| | \$ | \$ | \$ | P.C. of Totals |
| Homes— | | | | |
| Purchased under National Housing Act..... | 4,776 | 221,777 | 750,140 | 1.0 |
| Purchased not under National Housing Act..... | 320,659 | 6,306,043 | 11,739,328 | 15.4 |
| Repairs, etc..... | 85,750 | 1,763,591 | 5,181,285 | 6.8 |
| Furniture and equipment..... | 443,099 | 11,942,200 | 56,306,510 | 74.0 |
| Reduction of mortgages..... | 551 | 556,351 | 2,203,660 | 2.8 |
| Totals, Homes..... | 854,835 | 20,789,962 | 76,180,923 | 79.0 |
| Business— | | | | |
| Purchase of business..... | 15,429 | 530,549 | 1,784,659 | 9.1 |
| Working capital..... | 87,541 | 3,458,688 | 10,116,248 | 51.8 |
| Tools and equipment..... | 151,705 | 2,158,850 | 7,635,696 | 39.1 |
| Totals, Business..... | 254,675 | 6,148,087 | 19,536,603 | 19.0 |
| Miscellaneous— | | | | |
| Insurance annuities, pensions, etc..... | 10,899 | 138,218 | 708,955 | 80.6 |
| Vocational and educational fees and equipment.... | 1,514 | 69,475 | 116,325 | 13.2 |
| Allied veterans..... | Nil | 1,170 | 54,770 | 6.2 |
| Totals, Miscellaneous..... | 12,413 | 208,863 | 880,050 | 2.0 |
| Grand Totals..... | 1,121,923 | 27,146,912 | 96,597,576 | 100.0 |

When the use of re-establishment credit outside Canada (see p. 1055 of the 1946 Year Book) for the purchase of veterans insurance was authorized, steps were taken to advise, so far as possible, all ex-service personnel residing outside Canada of the new regulation.