

Throughout 1949, ministers and officials of the Federal and Provincial Governments worked on the financial, technical and administrative details involved in building a Trans-Canada Highway. Late in 1949, progress had reached the stage where legislation was introduced in and passed by Parliament permitting the Federal Government to enter into agreements with the provinces for a contribution to the construction of the Highway through the provinces. The legislation permitted a dollar-for-dollar contribution on the part of the Federal Government, up to \$150,000,000, for new construction undertaken within seven years or to reimburse provinces for construction already undertaken and included in the Highway, provided the location, standards and the time and method of construction were acceptable to the Federal Government. In April, 1950, six of the ten provinces signed agreements with the Federal Government and negotiations with other provinces were proceeding. An early start on many sections of the proposed road was indicated.

Following several years of consultation with provincial authorities on how the Federal Government could most effectively co-operate with provinces in the orderly development of Canada's forest resources, the Canada Forestry Act was passed late in 1949. This legislation allows the Federal Government to establish national forests, forest experimental areas and forest research laboratories, and to enter into agreements with provinces for the protection, development and utilization of forest resources, and with private persons for economic studies of forest resources, industries or research.

**Housing.**—During the years 1946-49, Canada built over 300,000 new permanent housing units, of which about one-third were constructed with financial assistance from the Federal Government, principally under the National Housing Act. During 1949, the National Housing Act was amended to provide a basis for joint federal-provincial action in the housing field. It made provision for the Federal Government to enter into arrangements with provinces (and municipalities) to undertake projects for the acquisition and development of land for housing purposes and for the construction of houses for sale or for rent. The capital cost of the project and the profits and losses are to be shared 75 p.c. by the Central Mortgage and Housing Corporation on behalf of the Federal Government and 25 p.c. by the provincial government. Other amendments to the National Housing Act make it easier for private individuals to buy new, moderately priced homes by reducing their down-payment requirements, and for co-operatives to finance house-building.

As already mentioned, building materials priorities for certain types of building including veterans housing expired on Mar. 31, 1950. However, the veterans rental-housing program came to an end as 1949 projects were announced to be the last in the series expected to be completed in 1950. This program was to be replaced by federal-provincial housing projects for veterans and civilians alike. On Dec. 31, 1949, provision for double depreciation on rental-housing projects lapsed. This provision made in March, 1947, to encourage construction of rental housing, allowed depreciation at double the rates normally applied for income-tax purposes for the first ten years after the rental unit was built.

Although a number of other important controls were ended early in 1950, rent control was continued. The Federal Government announced that it proposed to discontinue its system of rent controls on Apr. 30, 1951, when the Transitional Measures Act is due to expire. The provincial governments were advised to this effect and an offer of assistance in preparing stand-by legislation was made to