

them by the Federal Government. Before a decision to continue rent control was taken, the constitutionality of the Federal Government's position was tested before the Supreme Court of Canada; the rule confirmed its right to be in the field because an emergency existed.

Social Security.—The two important extensions of social security provisions in 1949 and early 1950 related to family allowances, old age pensions and unemployment insurance. The three-year-residence-in-Canada rule for qualifying a child for the allowance was reduced to one year, and the provision that decreased rates of allowances be given for fifth and additional children was dropped. With respect to old age pensions, the Federal Government agreed to contribute three-quarters of the amount of pension paid up to a maximum of \$40, an increase of \$10 in the basic rate.

Important changes were made in unemployment insurance legislation in February, 1950. The most significant change was the provision of supplementary benefits in the first three months of each calendar year for insured workers who have exhausted their benefits, have not sufficient contributions to qualify, have recently been brought within the scope of unemployment insurance but have not yet qualified or who are lumbermen and loggers with 90 days of employment in their occupation in any 12-month period in the 18 months preceding the making of a claim. Supplementary benefits are paid at 80 p.c. of the normal unemployment benefit. Other changes in the Act effected in 1950 were a widening of coverage to include persons earning between \$3,120 and \$4,800 and all lumbermen and loggers, increasing insurance contributions and benefits and raising permissive earnings while unemployed from \$1.50 to \$2 per day.

Also, during 1949, the health grants program announced in 1948 made steady progress. The annual grants presently amount to about \$30,000,000 per year, not all of which is as yet being expended owing to the time required to develop the services. The grants cover ten types of health activities and are contingent on provinces making specific outlays in the various fields covered. Up to the end of 1949 over 1,500 projects had been dealt with under the program.

Federal-Provincial Conferences.—Federal-provincial co-operation exists over a much wider front than is indicated in the topical fields mentioned above. It is possible that important developments will take place in 1950. A constitutional conference of Federal and Provincial Governments was held in January, 1950, at which it was agreed to appoint a standing committee to investigate certain constitutional problems and that the conference should later reassemble to determine a procedure to amend the British North America Act. It has also been announced that a general conference of these Governments will be held in the autumn of 1950. At this time, it is expected, many matters concerning the relations between the Government in the economic sphere, as well as other problems, will be brought under review.
