- S -

specific taxes such as gasoline taxes are used to finance External Affairs engines, elqmexe Tol cerutibueqxe thermus Supplementary Paper

As to debenture borrowing, the procedure is as follows:

An estimate of the total dollar value of construction (province's share) is passed by the House of Assembly No. 62/4 ordes evil Highway Financing in Canaday dose is lator ed as llew as seruribhed to the order of a stes notionation yewngin tenisgs bewortod ed yem doing the topoms Summary, as of December 1961, of Methods in done is the Provinces and in Federal-Provincial eldstine Highway Projects of eldisso betimil vilausu era saniworros . Borrowings are usually limited enter the amount of actual expenditures; however, in the extra part of the Federal Department of Public Works: future expenditures. This is balanced up toward the end of the year.

Highway financing in Canada is a rather complex subject, but, generally, it may be said that, as highways within a province come under the jurisdiction of the province, financing is a provincial responsibility. expenditure under oc

The Trans-Canada Highway, which is a joint federalprovincial project, was originally authorized under the Trans-Canada Highway Act of December 1949. Under the provisions of this Act, Canada entered into agreements with each of the provinces. These agreements set out methods of determining the costs of construction, the amount of Canada's contribution and other relevant terms and conditions. Under the original legislation, Canada could make contributions to the provinces of 50 per cent of the cost of construction of the highway. A 1956 amendment to the Act provided that, in addition to the 50 per cent contribution, Canada could pay an additional 40 per cent of the cost of construction on 10 per cent of the mileage of highway within each province. The total fund set up under the Trans-Canada Highway Act and subsequent amendments as Canada's share of the cost of construction is \$400 million. -construction

Another joint federal-provincial road project is the Roads-to-Resources Programme, under which Canada makes contributions to the provinces of 50 per cent of the cost of construction. The Federal Government also carries out road construction on crown-owned property, including highways in the national parks and development roads in the Yukon and Northwest Territories. Funds for these purposes are provided for in the annual federal appropriations, but Island poly betablicance and more viscents appropriations, but Island poly betablicance and more viscents to secure as set of the Minister of Figure expressions and the vertical set of t

sums to the various departments, according to the prog Funds for all capital expenditures by the province are derived from surplus on current account and the issue of government bonds. There are no specific taxes for highway construction, as the proceeds from the gasoline tax, automobile registrations and the line of the consolidated revenue. the licensing of drivers all go into the consolidated revenue fund. Annually, the government decides what proportion of its funds available for capital expenditures are to be spent on the various capital works, such as new highways, hospitals, schools, public builds. Public buildings, etc.

## Mova Scotia: aibro sti to yns etscolls ton seob cirstao

Nova Scotia finances the construction of highways through two major sources of funds: 1) Debenture borrowing on the capital market and 2) shared-cost projects with other governments. Any 'inance highway construction.