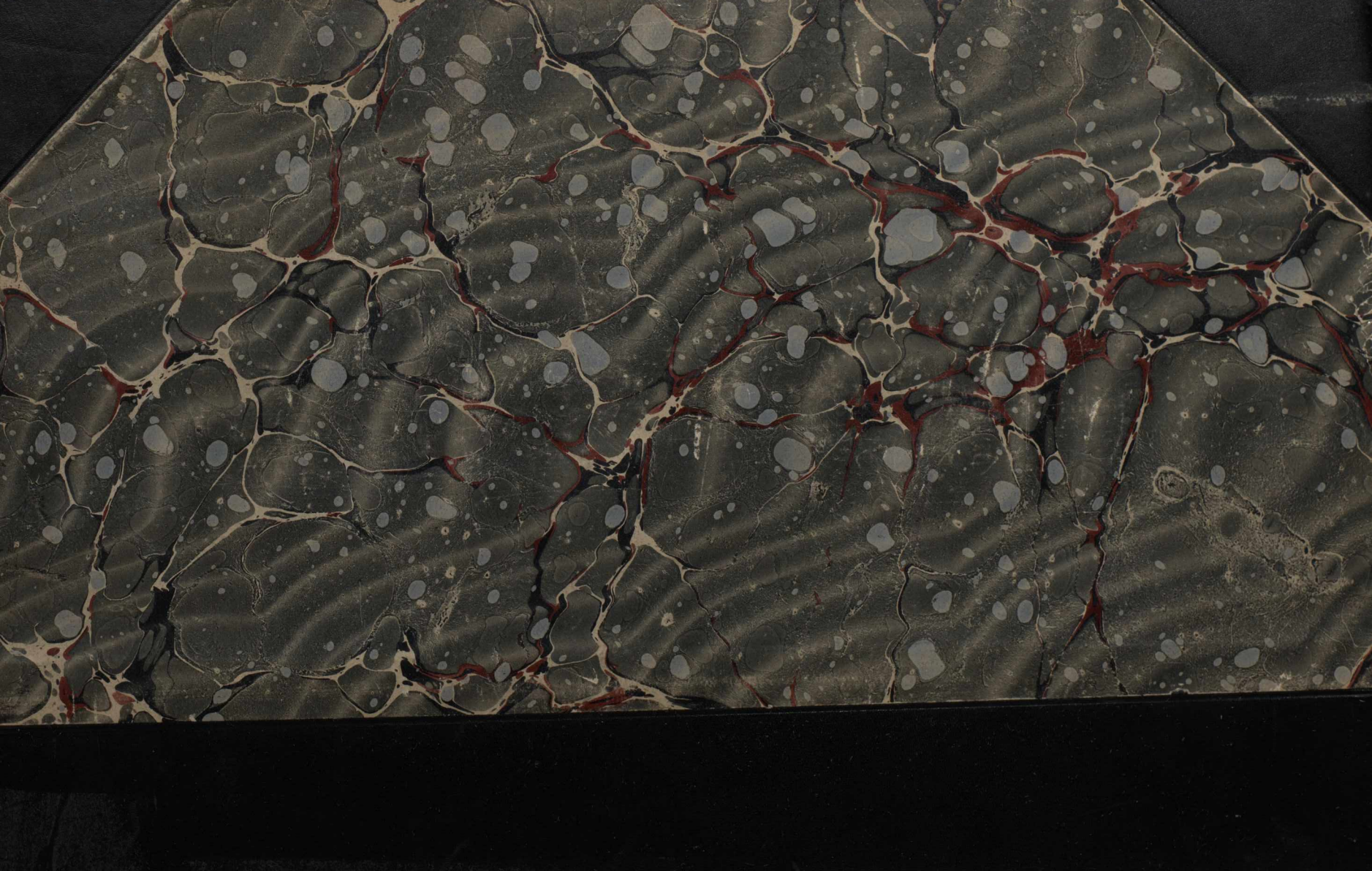

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CANADA
HOUSE OF COMMONS

20th Parliament, 1st Session
1945

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First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 2.

An Act to amend The Divorce Jurisdiction Act, 1930.

First reading, September 10, 1945.

MR. BLACK (Yukon).

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

43467

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 2.

An act to amend The Divorce Jurisdiction Act, 1930.

1930, c. 15.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section two of *The Divorce Jurisdiction Act, 1930*, chapter fifteen of the statutes of 1930, is repealed and the following substituted therefor:—

Divorce jurisdiction in province of married woman's domicile.

"**2.** The court of any province of Canada vested with jurisdiction to grant a divorce *a vinculo matrimonii* shall have jurisdiction to entertain and try an action or other proceeding for divorce *a vinculo matrimonii* at the suit of a married woman who has resided in such province separate and apart from her husband for not less than two years immediately preceding the date of the commencement of such action or proceeding and on any grounds of entitlement to such divorce provided by the law of the province in which such court is constituted: Provided that she either was before or has been after the passing of this Act deserted by and living separate and apart from her husband for a continuous period of not less than two years prior to the date of the commencement of such action or proceeding."

Proviso.

## Explanatory Note.

Section 2 of the Act proposed to be amended by repeal and re-enactment reads as follows:

"**2.** A married woman who either before or after the passing of this Act has been deserted by and has been living separate and apart from her husband for a period of two years and upwards and is still living separate and apart from her husband may, in any one of those provinces of Canada in which there is a court having jurisdiction to grant a divorce *a vinculo matrimonii*, commence in the court of such province having such jurisdiction proceedings for a divorce *a vinculo matrimonii* praying that her marriage may be dissolved on any grounds that may entitle her to such divorce according to the law of such province, and such court shall have jurisdiction to grant such divorce provided that immediately prior to such desertion the husband of such married woman was domiciled in the province in which such proceedings are commenced."

The purpose of this amendment is to vest jurisdiction in the divorce courts of the several provinces to try actions for divorce at the suit of a married woman deserted by and living apart from her husband where the woman *has been residing in the province for not less than two years prior to the date of the commencement of such action.*

As the law presently stands the woman may bring suit only in the province where the husband was domiciled immediately prior to the desertion. This condition of the law works a great hardship on the deserted married woman who by reason of such desertion may have been forced to move to another province from that where the desertion took place. It is unreasonable that she should have to take her action back to the former.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 3.

An Act for granting to His Majesty aid for National Defence and Demobilization.

**AS PASSED BY THE HOUSE OF COMMONS, 11th SEPTEMBER, 1945.**

No first Reading

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

43096

1st Session, 20th Parliament, 9 George VI, 1945.

# BILL 3.

## THE HOUSE OF COMMONS OF CANADA.

An Act for granting to His Majesty aid for National Defence and Demobilization.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

**1.** This Act may be cited as *The War Expenditure and Demobilization Appropriation Act, No. 1, 1945.*

$400,000,000 granted for 1945-46.

**2.** From and out of the Consolidated Revenue Fund, there may be paid a sum not exceeding four hundred million dollars ($400,000,000) subject to allotment by Treasury Board, towards defraying any expenses or making any advances or loans that may be incurred or granted by or under the authority of the Governor in Council during the year ending the thirty-first day of March, 1946, for the purpose and subject to the terms, conditions and limitations set out in the Resolution on the Orders of the Day to provide that sums not exceeding one billion, three hundred and sixty-five million dollars ($1,365,000,000) be granted to His Majesty.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 4.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

**AS PASSED BY THE HOUSE OF COMMONS, 11th SEPTEMBER, 1945.**

No First Reading

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

42926

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 4.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency, the Right Honourable the Earl of Athlone, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-six, and for other purposes connected with the public service: May it therefore please Your Majesty that it may be enacted, and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

**1.** This Act may be cited as *The Appropriation Act, No. 3, 1945.*

$29,769,000.11 granted for 1945-46.

**2.** From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole twenty-nine million, seven hundred and sixty-nine thousand dollars and eleven cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-five, to the thirty-first day of March, one thousand nine hundred and forty-six, not otherwise provided for, and being one-twelfth of the amount of each of the items to be voted, set forth in the Main Estimates for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-six, as laid before the House of Commons at the present session of Parliament.

Account to be rendered in detail.

**3.** A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the next session of Parliament.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 5.

An Act to amend the Income War Tax Act (Communicating Information).

First reading, September 12, 1945.

Mr. KNOWLES.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

43709

1st Session, 20th Parliament, 9 George VI, 1945.

R.S., c. 97; 1928,cc. 12, 30; 1930, c. 24; 1931, c. 35; 1932,cc. 43, 44; 1932-33, cc. 14, 15, 41; 1934, cc. 19, 55; 1935, cc. 22, 40; 1936, cc. 6, 38; 1938, c. 48; 1939 (1st Sess.), c. 46; 1939 (2nd Sess.), c. 6; 1940, c. 34; 1940-41, c. 18; 1942-43, c. 28; 1943-44, c. 14; 1944-45, c. 43.

THE HOUSE OF COMMONS OF CANADA.

# BILL 5.

An Act to amend the Income War Tax Act (Communicating Information).

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Subsection one of section eighty-one of the *Income War Tax Act*, chapter ninety-seven of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

Secrecy.

"**81.** (1) No person employed in the service of His Majesty shall communicate or allow to be communicated to any person not legally entitled thereto, any information obtained under the provisions of this Act, or allow any such person to inspect or have access to any written statement furnished under the provisions of this Act: Provided that nothing in this subsection shall operate to prevent a Minister of the Crown from communicating to the Senate or to the House of Commons any information obtained under the provisions of this Act."

Proviso.

## Explanatory Notes.

The only change in this section consists in the addition of the proviso underlined on the opposite page.

It is quite conceivable that the restrictions as to secrecy imposed by subsection one of section 81, as it stands at present, might have the effect of preventing a Minister of the Crown from giving the Senate or the House such information as might be legitimately asked for and given.

This amendment would also affect *The Excess Profits Tax Act, 1940*, as sections 40 to 87 of the *Income War Tax Act* are made by section 14 of The Excess Profits Tax Act, to apply thereto.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 6.

An Act to amend The Canadian Wheat Board Act, 1935.

First reading, September 12, 1945.

Mr. FAIR.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

43713

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 6.

An Act to amend The Canadian Wheat Board Act, 1935.

1935, c. 53; 1939, c. 39; 1940, c. 25; 1942-43, c. 4.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section eight of *The Canadian Wheat Board Act, 1935*, chapter fifty-three of the statutes of 1935, as amended by chapter thirty-nine of the statutes of 1939 and chapter twenty-five of the statutes of 1940, is further amended by repealing paragraphs *(h)*, *(i)* and *(j)* and substituting the following therefor:—

"*(h)* subject to the provisions of paragraph (i) of this section, to give effect to any Order in Council that may be passed with respect to its operations;

*(i)* in selling and disposing of wheat as by this Act provided, to employ such methods, consistent with the provisions of paragraph *(b)* of this section, as will not involve the payment, directly or indirectly, of any commission or other remuneration to commission merchants, brokers or other marketing agencies;"

## Explanatory Notes.

This bill is designed to eliminate the prevalent practice of the Canadian Wheat Board of paying commissions to agents in connection with the sale of wheat and to free the Board to conduct its sale operations without engaging and paying for such unnecessary service.

The paragraphs of section 8 proposed to be repealed and re-enacted in amended form and the introductory words of the section, read as follows:—

**8.** It shall be the duty of the Board:—

*(h)* to give effect to any Order in Council that may be passed with respect to its operations;

*(i)* in selling and disposing of wheat as by this Act provided, to utilize and employ without discrimination such marketing agencies, including commission merchants, brokers, elevator men, exporters and other persons engaged in or operating facilities for the selling and handling of wheat, as the Board in its discretion may determine;

*(j)* to offer wheat for sale in the markets of the world through the established channels: Provided that the Board may, if in its opinion any existing agencies are not operating satisfactorily, take such steps as it deems expedient to establish, utilize and employ its own or other marketing agencies or channels;

7.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 7.

An Act to amend The Dominion Elections Act, 1938.

First reading, September 12, 1945.

MR. FAIR.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

43717

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 7.

An Act to amend The Dominion Elections Act, 1938.

1938, c. 46.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Disqualifications.
Inmates of institutions for the poor.

**1.** Paragraph *(k)* of subsection two of section fourteen of *The Dominion Elections Act, 1938*, chapter forty-six of the statutes of 1938, is repealed.

## Explanatory Note.

This amendment is designed to remove the disqualification imposed on inmates of institutions for the poor where such persons are disqualified from voting at a provincial election.

The removal of this disqualification will enable all such worthy persons to vote at federal elections whether they are qualified or not to vote at provincial elections.

The paragraph proposed to be repealed reads:

"*(k)* in any province, every person who is an inmate of an institution which is maintained by any government or municipality for the housing and maintenance of the poor, if such person is by the law of that province disqualified from voting at an election of a member of the legislative assembly of that province, and did not serve in the military, naval or air forces of Canada in the war of 1914-1918."

8.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 8.

An Act to amend The Railway Act.

First reading, September 27, 1945.

MR. ADAMSON.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

44679

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 8.

An Act to amend The Railway Act.

R.S., c. 170; 1928, c. 43; 1929, c. 54; 1930, c. 36; 1932-33, c. 47; 1938, cc. 40, 12.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Subsection two of section three hundred and eight of the *Railway Act*, chapter one hundred and seventy of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

Exception.

"(2) Where a municipal by-law of a city or town, or of a township or village situated contiguous to or near such city or town, prohibits such sounding of the whistle or such ringing of the bell in respect of any such crossing or crossings within the limits of such city or town, or township or village, such by-law shall, if approved by an order of the Board, to the extent of such prohibition relieve the company and its employees from the duty imposed by this section."

**2.** Subsection three of section four hundred and nineteen of the said Act is repealed and the following substituted therefor:—

Exception.

"(3) Where a municipal by-law of a city or town, or of a township or village situated contiguous to or near such city or town, prohibits such sounding of the whistle or such ringing of the bell in respect of any such crossing or crossings within the limits of such city or town, or township or village, such by-law, if approved by order of the Board, shall, to the extent of such prohibition, relieve the company from any penalty or liability under this section."

## Explanatory Note.

**1.** Section 308 at present reads as follows:—

"**308.** When any train is approaching a highway crossing at rail level the engine whistle shall be sounded at least eighty rods before reaching such crossing, and the bell shall be rung continuously from the time of the sounding of the whistle until the engine has crossed such highway.

2. Where a municipal by-law of a city or town prohibits such sounding of the whistle or such ringing of the bell in respect of any such crossing or crossings within the limits of such city or town, such by-law shall, if approved by an order of the Board, to the extent of such prohibition relieve the company and its employees from the duty imposed by this section."

The changes made to subsection two are indicated by the words underlined on the opposite page.

The reason for this amendment is that many townships or villages situated contiguous to major metropolitan areas have now become so built up that they constitute a physical part of the neighbouring city or town.

Railways passing through these built-up areas and whistling at the crossings constitute a nuisance and are a real menace to the health and welfare of the residents of such districts.

It is proposed therefore, that, with the approval of the Board of Railway Commissioners, such sounding of the whistle in those townships or villages be prohibited as is actually the case for cities and towns.

**2.** The amendment to section 419 is made in consequence of the amendment made to section 308.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 9.

An Act to amend The Department of National Health and Welfare Act.

First reading, October 1, 1945.

THE MINISTER OF NATIONAL HEALTH AND WELFARE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

41868

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 9.

An Act to amend The Department of National Health and Welfare Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section twelve of *The Department of National Health and Welfare Act*, chapter twenty-two of the statutes of 1944-45, is repealed and the following substituted therefor:

Substitution of Department, Minister and Deputy Minister in certain other Acts.

"**12.** Wherever the Department of Pensions and National Health or the Department of Health, the Minister of Pensions and National Health or the Minister of Health, the Deputy Minister of Pensions and National Health or the Deputy Minister of Health is mentioned in any Act of the Parliament of Canada or in any order or regulation made thereunder, except the acts, orders and regulations mentioned in section eight of *The Department of Veterans Affairs Act*, there shall in each and every such case be substituted the Department of National Health and Welfare, the Minister of National Health and Welfare and the Deputy Minister, or Deputy Ministers, of National Health and Welfare respectively."

1944-45, c. 19.

Retroactive coming into force.

**2.** This Act shall be deemed to have come into force and effect as of the twenty-first day of October, 1944.

## Explanatory Notes.

**1.** The only change in section twelve is as indicated, the substitution of the word "eight" for the word "nine". This is the correction of a clerical error.

**2.** It is advisable to make this Act retroactive to the date of the coming into force by proclamation of The Department of National Health and Welfare Act, namely, October 21, 1944.

10.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 10.

An Act to provide for a Prize Court and Prize Law in Canada.

First reading, October 1, 1945.

The MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

43102

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 10.

An Act to provide for a Prize Court and Prize Law in Canada.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

SHORT TITLE.

Short title.

**1.** This Act may be cited as *The Canada Prize Act, 1945.*

INTERPRETATION.

Definition.

**2.** In this Act, unless the context otherwise requires, "ship" includes vessel and boat, with the tackle, furniture and apparel of the ship, vessel or boat, and other words and expressions have the same meaning as in *The Admiralty Act, 1934.*

1934, c. 31.

PRIZE COURT.

Exchequer Court jurisdiction.

**3.** (1) The Exchequer Court of Canada on its Admiralty Side shall have and exercise, subject to the provisions of this Act, jurisdiction in all matters of prize in Canada.

Jurisdiction of judge.

(2) A judge may exercise the prize jurisdiction of the Court in the same manner and to the same extent as he may exercise the Admiralty jurisdiction of the Court.

Officers.

(3) The Minister of Justice may, from time to time by notice published in the *Canada Gazette,* designate by name or office, the persons who may Act as Registrars, Marshals or other officers of the Court in the exercise of its prize jurisdiction.

Appeals.

**4.** An appeal may be taken from any decision of the Court or of a judge made in the exercise of the prize jurisdiction of the Court, in accordance with the provisions of *The Admiralty Act, 1934,* regarding appeals from decisions of the Court.

Court to take cognizance and judicially proceed in certain matters.

**5.** (1) The Court shall, subject to the provisions of this section, take cognizance of and judicially proceed upon all and all manner of captures, seizures, prizes and reprisals made under the authority of His Majesty in right of Canada of all ships, aircraft or goods, and shall hear and determine the same and, according to the Course of Admiralty and the Law of Nations, adjudge and condemn all such ships, aircraft or goods as belong to any enemy country or the citizens or subjects thereof or any other persons inhabiting any of the countries, territories or dominions of any enemy country or which are otherwise condemnable as prize.

Exercise of prize jurisdiction.

(2) Subject to any orders or regulations made under this Act and until otherwise provided by or pursuant to any other Act of the Parliament of Canada, all Acts enacted by the Parliament of the United Kingdom, and all orders, regulations or rules made pursuant thereto, in force in the United Kingdom on the tenth day of September, one thousand nine hundred and thirty-nine, in respect of ships, aircraft or goods taken as prize under the authority of His Majesty in right of the United Kingdom and within or brought within the United Kingdom or the territorial waters thereof, and in respect of all matters relating to the taking thereof, or otherwise with regard thereto as prize, shall apply in, and be the law of Canada, *mutatis mutandis*, in respect of ships, aircraft or goods taken as prize under the authority of His Majesty in right of Canada, and within or brought within Canada or the territorial waters thereof, and in respect of all matters relating to the taking thereof, or otherwise with regard thereto as prize; and, subject as aforesaid, the court shall exercise its prize jurisdiction in respect of the like persons, matters and things and in a like manner and with a like authority and to as full an extent in respect of such last mentioned ships, aircraft or goods as the High Court of Justice in England might on the said date exercise its prize jurisdiction in respect of such first mentioned ships, aircraft or goods.

Consent of Attorney General to take proceedings.

**6.** (1) After the commencement of this Act, no proceedings to enforce a claim for services rendered in retaking a ship, aircraft or goods taken by an enemy shall be instituted and no such claim shall be made or shall be relied upon in any proceedings by way of defence or otherwise without the consent of the Attorney General of Canada.

Evidence of consent.

(2) Evidence of the consent required by this section may be given by means of a document purporting to give such consent and to be signed by the Attorney General of Canada.

PROCEDURE AND ORDERS OR REGULATIONS.

Orders and regulations.

**7.** The Governor in Council may, on the recommendation of the Minister of Justice, make orders or regulations—

*(a)* regulating the practice and procedure in causes or matters falling within the prize jurisdiction of the Court or a judge thereof;

*(b)* fixing the scale of costs, charges and fees in such causes or matters and regulating the taxation thereof, where costs are awarded for or against a party in any such cause or matter;

*(c)* fixing the fees payable to the Court or its officers in respect of anything done or any proceeding taken in such causes or matters;

*(d)* prescribing the powers and duties of Registrars and Marshals or their deputies and the powers and duties of other officers of the Court; and

*(e)* for such other purposes governing the exercise of the prize jurisdiction of the Court or to give effect to the provisions of this Act or otherwise in relation to prize as he may deem advisable.

RECIPROCAL ARRANGEMENTS WITH OTHER GOVERNMENTS

Jurisdiction of Court in extra-territorial waters by consent.

**8.** (1) Where His Majesty in right of a government other than the Government of Canada or a co-belligerent of His Majesty consents to the taking as prize under the authority of His Majesty in the right of Canada, of ships, aircraft or goods within the territory or territorial waters of His Majesty in right of the said government, or of the said co-belligerent, or to the bringing within the said territory or territorial waters of ships, aircraft or goods so taken outside the said territory or territorial waters, the Court shall have and exercise jurisdiction in prize in respect of the said ships, aircraft or goods in a like manner and to the same extent as in the case of ships, aircraft or goods so taken on the high seas and brought within Canada or the territorial waters of Canada.

Consent where deemed to have been given.

(2) Where His Majesty in right of a government other than the Government of Canada or a co-belligerent of His Majesty has given the consent referred to in subsection one of this section, any ship, aircraft or goods taken as prize under the authority of His Majesty in right of Canada within or so taken and brought within the territory or territorial waters of His Majesty in right of the said government or of the said co-belligerent, before the said consent was given, shall be deemed to be so taken or brought with the said consent unless it is expressly stated in the said consent that it is to have effect only with respect to ships, aircraft or goods so taken or brought after the date of the consent.

Admissibility of evidence of prize court constituted under other authority.

(3) Without limiting or restricting the authority of the Court otherwise to receive or to admit evidence, where His Majesty in right of a government other than the Government of Canada or a co-belligerent of His Majesty has given the consent referred to in subsection one of this section, the Court may receive evidence in respect of the taking as prize under the authority of His Majesty in right of Canada, of any ship, aircraft or goods taken within, or so taken and brought within, the territory or territorial waters of His Majesty in right of the said government or of the said co-belligerent, or in respect of any other matters of prize relating thereto, received and recorded by a prize court constituted by or under the authority of His Majesty in right of the said government or of the said co-belligerent if the evidence would be received and admissible in the Court if given before it.

Consent to other authority to take prizes within Canadian territorial waters.

**9.** (1) Where His Majesty in right of a government other than the Government of Canada or a co-belligerent of His Majesty has given the consent referred to in the last preceding section, or where it has been agreed that such a consent will be given, the Governor in Council may authorize the Secretary of State for External Affairs to consent on behalf of His Majesty in right of Canada, on such terms as the Governor in Council deems advisable, to the taking as prize, under the authority of His Majesty in right of the said government, or of the said co-belligerent, of ships, aircraft or goods within, or the bringing of ships, aircraft or goods so taken within Canada or the territorial waters of Canada.

Court may order prize taken by other authority held in custody of Court.

(2) Where a consent has been given under subsection one of this section to His Majesty in right of a government other than the Government of Canada or to a co-belligerent of His Majesty, if an undertaking by His Majesty in right of the said government or by the said co-belligerent is given to His Majesty in right of Canada to bear all expenses in connection therewith, the Court may order that any ship, aircraft or goods taken as prize under the authority of His Majesty in right of the said government, or of the said co-belligerent, within, or so taken and brought within Canada or the territorial waters of Canada, be held in the custody of the Court until an order is made by a prize court constituted by or under the authority of His Majesty in right of the said government or of the said co-belligerent with regard to the release or disposal thereof.

Court to give effect to orders made by other authority.

(3) The Court shall recognize and give effect to any proceedings or order taken or made in relation to any ship, aircraft or goods held in the custody of the Court pursuant to an order made under subsection two of this section, before or by a prize court having jurisdiction in respect thereof constituted by or under the authority of His Majesty in right of the government, or of the co-belligerent

of His Majesty, under whose authority the said ship, aircraft or goods was taken or brought within Canada or the territorial waters of Canada.

Court may receive and record evidence for other authority upon application.

(4) The Court may receive and record evidence in respect of the taking of any ship, aircraft or goods taken or brought within Canada or the territorial waters of Canada under the authority of His Majesty in right of a government other than the Government of Canada, or of a co-belligerent of His Majesty, to whom a consent has been given under this section, or in respect of any other matter of prize relating thereto, if application for that purpose is made to it on behalf of His Majesty in right of the said government or of the said co-belligerent.

Notice of consent.

**10.** Notice of a consent under either of the two last preceding sections and of the terms thereof shall be given by proclamation of the Governor in Council published in the *Canada Gazette* and such proclamation shall be conclusive evidence of such consent and of the terms thereof.

CONTINUATION OF PROCEEDINGS AND PROCEDURE

Proceedings commenced prior to this Act to continue.

**11.** (1) All proceedings in prize commenced in the Court or before any judge prior to the commencement of this Act shall be continued in the Court as if they had been originally commenced pursuant to this Act and before the judge before whom such proceedings would have been brought under this Act and where any proceedings in prize were commenced before the Court prior to the commencement of this Act in the exercise of any jurisdiction had or exercisable by the Court before the commencement of this Act, and not conferred on the Court by or under this Act, the Court shall continue to have and exercise the said jurisdiction for the purpose of final disposition of the said proceedings.

Status of general orders and rules in force at commencement of Act.

(2) General orders and rules in force at the time of the commencement of this Act in respect of the exercise of jurisdiction in prize by the Court and the practice and procedure therein shall, except in so far as inconsistent with this Act or orders or regulations made under this Act, be deemed to have been re-enacted under this Act immediately after this Act came into force and shall govern the exercise by the Court of the prize jurisdiction conferred on it by this Act until revoked or amended.

(3) All officers or persons appointed or empowered to act in respect of any proceedings in prize in the Court commenced prior to the commencement of this Act shall continue to perform the duties and exercise the powers imposed or conferred on them for the purpose of the exercise by the Court of the prize jurisdiction conferred on it by this Act until their appointment or authority is revoked.

11.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 11.

An Act to amend The Canadian National Railways Capital Revision Act, 1937.

First reading, October 1, 1945.

MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

44675

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 11.

An Act to amend The Canadian National Railways Capital Revision Act, 1937.

1937, c. 22.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section twelve of *The Canadian National Railways Capital Revision Act, 1937*, chapter twenty-two of the Statutes of 1937, is repealed and the following substituted therefor:—

Corporation Securities Trust. Constitution.

"**12.** There shall be a Corporation to be known as 'The Canadian National Railways Securities Trust,' hereinafter in this Act referred to as the 'Securities Trust,' consisting of five trustees who shall be the persons who, respectively, hold the offices from time to time of Deputy Minister of Finance, Deputy Minister of Transport and Deputy Minister of Justice and such two officers of the National Railways as may be named from time to time by resolution of the Board of Directors of the National Railways. The trustees shall serve without remuneration."

No trustee remuneration.

## Explanatory Note.

The section to be repealed at present reads as follows:—

"**12.** There shall be a corporation to be known as 'The Canadian National Railways Securities Trust', hereinafter referred to as the 'Securities Trust', consisting of five trustees, *being the* Deputy Minister of Finance, the Deputy Minister of Transport, the Deputy Minister of Justice, *the Chairman of the Board of Directors of the National Railways and the Vice-President of Finance* of the National Railways. The trustees shall serve without remuneration."

The only change is indicated by the words underlined on the opposite page which are substituted for the words in italics above.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 12.

An Act respecting the appointment of Auditors for National Railways.

First reading, October 1, 1945.

MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

43291

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 12.

1932-33, c. 33;
1934, c. 3;
1935, c. 1;
1936, c. 21;
1937, c. 3;
1938, c. 3;
1939, c. 2;
1940, c. 4;
1940-41, c. 5;
1942-43, c. 12;
1943-44, c. 18;
1944-45, c. 8.

An Act respecting the appointment of Auditors for National Railways.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Appointment of auditors.

**1.** Notwithstanding the provisions of section thirteen of *The Canadian National-Canadian Pacific Act, 1933*, chapter thirty-three of the statutes of 1932-33, as enacted by section three of chapter twenty-five of the statutes of 1936, respecting the appointment of auditors by joint resolution of the Senate and House of Commons, George A. Touche and Company, of the cities of Toronto and Montreal, chartered accountants, are appointed as independent auditors for the year 1945, to make a continuous audit under the provisions of the said section, of the accounts of National Railways as defined in the said Act.

13.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 13.

An Act to amend The War Charities Act, 1939.

First reading, October 2, 1945.

THE MINISTER OF NATIONAL WAR SERVICES.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

44550

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 13.

An Act to amend The War Charities Act, 1939.

1939, (2nd Sess.), c. 10; 1940-41, c. 28.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Paragraph *(b)* of subsection two of *The War Charities Act, 1939*, chapter ten of the statutes, 1939, (Second Session), as enacted by section one of chapter twenty-eight of the statutes of 1940-41, is repealed and the following substituted therefor:—

"War Charity Fund."

"*(b)* 'War Charity Fund' means any fund having for its object or among its objects any purpose, charitable or otherwise arising out of or connected with the war and includes a fund having for its object, or among its objects the erection, construction, acquisition, development or maintenance of a war memorial;

"war memorial."

*(c)* 'war memorial' includes any building or other structure erected, constructed, acquired, developed or maintained or any real property acquired to commemorate the war or to preserve the memory of those who served in the war that has been either before or after erection, construction, acquisition, development or the commencement of the maintenance, designated by regulation as a war memorial or is of a class that has been designated by regulation as a class of war memorials."

**2.** Section eight of the said Act is amended by inserting the following paragraph after paragraph *(e)* thereof:—

Regulations.

"*(ee)* designating as war memorials, or as classes of war memorials, buildings or other structures or real property, if in his opinion, the purpose or one of the purposes of the erection, construction, acquisition,

## Explanatory Notes.

**1.** The wording of paragraph *(b)* is extended by the addition of the words underlined in the text.

Paragraph *(c)* is a new definition.

**2.** Paragraph *(ee)* is added to section 8 to extend the regulatory power of the Minister to war memorials.

development or maintenance thereof is to commemorate the war or to preserve the memory of those who served in the war and, in the case of the designation of a particular building or other structure or of a particular parcel of real property such designation may be made either before or after the said construction, erection, acquisition or development or the commencement of the maintenance thereof."

14.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 14.

An Act for carrying into effect the Agreement for a Food and Agriculture Organization of the United Nations between Canada and certain other Nations and Authorities.

First reading, October 4, 1945.

THE MINISTER OF AGRICULTURE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

41548

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 14.

An Act for carrying into effect the Agreement for a Food and Agriculture Organization of the United Nations between Canada and certain other Nations and Authorities.

Preamble.

WHEREAS the United Nations Interim Commission on Food and Agriculture was constituted in July, 1943, to prepare a plan for a permanent international organization for food and agriculture, which plan is embodied in an Agreement, set out in the Schedule to this Act, establishing the Constitution of the Food and Agriculture Organization of the United Nations to be signed and come into force as soon as twenty nations have notified their acceptance of the Constitution;

AND WHEREAS Canada is transmitting an instrument of acceptance of the Constitution to the Interim Commission on Food and Agriculture, and it is expedient that the Governor in Council should have power to do all such things as may be proper and expedient for giving effect to the Agreement: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

**1.** This Act may be cited as *The Food and Agriculture Organization of the United Nations Act, 1945.*

Powers of G. in C. to carry out Agreement.

**2.** (1) The Governor in Council may make such appointments, establish such offices, make such Orders in Council and do such things as appear to him to be necessary for carrying out the provisions of the Constitution set out in the Schedule to this Act or any recommendations of the Conference of the Food and Agriculture Organization of the United Nations, or of its Committees, made pursuant to such provisions.

Expenditures.

(2) All expenditures incurred in carrying out the provisions of subsection one of this section shall be defrayed out of moneys provided by Parliament.

## Explanatory Note.

The purpose of this Bill is to enable the Government of Canada to give effect to the Agreement for a Food and Agriculture Organization of the United Nations which is to be signed and come into force when twenty nations have notified their acceptance of the Constitution set out in the Schedule to the Bill. The method proposed is to empower the Governor in Council to do whatever may be proper and expedient for carrying out the provisions of the Constitution, or any recommendations of the Conference of the Organization, or its Committees, made pursuant to such provisions. It is also provided that all expenditures incurred in carrying out the Agreement shall be defrayed out of monies provided by Parliament.

Annual report.

**3.** As soon as practicable after the close of each fiscal year, the Secretary of State for External Affairs shall prepare and lay before Parliament a report of operations under this Act.

Coming into force.

**4.** This Act shall come into force on a day to be proclaimed by the Governor in Council.

# SCHEDULE

# CONSTITUTION

of the

# FOOD AND AGRICULTURE ORGANIZATION OF THE UNITED NATIONS

PREAMBLE—

The Nations accepting this Constitution, being determined to promote the common welfare by furthering separate and collective action on their part for the purposes of:

raising levels of nutrition and standards of living of the peoples under their respective jurisdictions,

securing improvements in the efficiency of the production and distribution of all food and agricultural products,

bettering the condition of rural populations,

and thus contributing toward an expanding world economy, hereby establish the Food and Agriculture Organization of the United Nations, hereinafter referred to as the "Organization", through which the Members will report to one another on the measures taken and the progress achieved in the fields of action set forth above.

## ARTICLE I (FUNCTIONS OF THE ORGANIZATION)

1. The Organization shall collect, analyze, interpret, and disseminate information relating to nutrition, food and agriculture.

2. The Organization shall promote and, where appropriate, shall recommend national and international action with respect to:

(a) scientific, technological, social, and economic research relating to nutrition, food and agriculture;

(b) the improvement of education and administration relating to nutrition, food and agriculture, and the spread of public knowledge of nutritional and agricultural science and practice;

(c) the conservation of natural resources and the adoption of improved methods of agriculture production;

(d) the improvement of the processing, marketing, and distribution of food and agricultural products;

(e) the adoption of policies for the provision of adequate agricultural credit, national and international;

(f) the adoption of international policies with respect to agricultural commodity arrangements.

3. It shall also be the function of the Organization:

(a) to furnish such technical assistance as governments may request;

(b) to organize, in cooperation with the governments concerned, such missions as may be needed to assist them to fulfill the obligations arising from their acceptance of the recommendations of the United Nations Conference on Food and Agriculture; and;

(c) generally to take all necessary and appropriate action to implement the purposes of the Organization as set forth in the Preamble.

## ARTICLE II (Membership)

1. The original Members of the Organization shall be such of the nations specified in Annex I as accept this Constitution in accordance with the provisions of Article XXI.

2. Additional Members may be admitted to the Organization by a vote concurred in by a two-thirds majority of all the members of the Conference and upon acceptance of this Constitution as in force at the time of admission.

## ARTICLE III (The Conference)

1. There shall be a Conference of the Organization in which each Member nation shall be represented by one member.

2. Each Member nation may appoint an alternate, associates, and advisers to its member of the Conference. The Conference may make rules concerning the participation of alternates, associates, and advisers in its proceedings, but any such participation shall be without the right to vote except in the case of an alternate or associate participating in the place of a member.

3. No member of the Conference may represent more than one Member nation.

4. Each Member nation shall have only one vote.

5. The Conference may invite any public international organization which has responsibilities related to those of the Organization to appoint a representative who shall participate in its meetings on the conditions prescribed by the Conference. No such representative shall have the right to vote.

6. The Conference shall meet at least once in every year.

7. The Conference shall elect its own officers, regulate its own procedure, and make rules governing the convocation of sessions and the determination of agenda.

8. Except as otherwise expressly provided in this Constitution or by rules made by the Conference, all matters shall be decided by the Conference by a simple majority of the votes cast.

## ARTICLE IV (Functions of the Conference)

1. The Conference shall determine the policy and approve the budget of the Organization and shall exercise the other powers conferred upon it by this Constitution.

2. The Conference may by a two-thirds majority of the votes cast make recommendations concerning questions relating to food and agriculture to be submitted to Member nations for consideration with a view to implementation by national action.

3. The Conference may by a two-thirds majority of the votes cast submit conventions concerning questions relating to food and agriculture to Member nations for consideration with a view to their acceptance by the appropriate constitutional procedure.

4. The Conference shall make rules laying down the procedure to be followed to secure:

(a) proper consultation with governments and adequate technical preparation prior to consideration by the Conference of proposed recommendations and conventions; and

(b) proper consultation with governments in regard to relations between the Organization and national institutions or private persons.

5. The Conference may make recommendations to any public international organization regarding any matter pertaining to the purpose of the Organization.

6. The Conference may by a two-thirds majority of the votes cast agree to discharge any other functions consistent with the purposes of the Organization which may be assigned to it by governments or provided for by any arrangement between the Organization and any other public international organization.

## ARTICLE V (The Executive Committee)

1. The Conference shall appoint an Executive Committee consisting of not less than nine or more than fifteen members or alternate or associate members of the Conference or their advisers who are qualified by administrative experience or other special qualifications to contribute to the attainment of the purpose of the Organization. There shall be not more than one member from any Member nation. The tenure and other conditions of office of the members of the Executive Committee shall be subject to rules to be made by the Conference.

2. Subject to the provisions of paragraph 1 of this Article, the Conference shall have regard in appointing the Executive Committee to the desirability that its membership should reflect as varied as possible an experience of different types of economy in relation to food and agriculture.

3. The Conference may delegate to the Executive Committee such powers as it may determine, with the exception of the powers set forth in paragraph 2 of Article II, Article IV, paragraph 1 of Article VII, Article XIII, and Article XX of this Constitution.

4. The members of the Executive Committee shall exercise the powers delegated to them by the Conference on behalf of the whole Conference and not as representatives of their respective governments.

5. The Executive Committee shall appoint its own officers and, subject to any decisions of the Conference, shall regulate its own procedure.

## ARTICLE VI (Other Committees and Conferences)

1. The Conference may establish technical and regional standing committees and may appoint committees to study and report on any matter pertaining to the purpose of the Organization.

2. The Conference may convene general, technical, regional, or other special conferences and may provide for the representation at such conferences, in such manner as it may determine, of national and international bodies concerned with nutrition, food and agriculture.

## ARTICLE VII (The Director-General)

1. There shall be a Director-General of the Organization who shall be appointed by the Conference by such procedure and on such terms as it may determine.

2. Subject to the general supervision of the Conference and its Executive Committee, the Director-General shall have full power and authority to direct the work of the Organization.

3. The Director-General or a representative designated by him shall participate, without the right to vote, in all meetings of the Conference and of its Executive Committee and shall formulate for consideration by the Conference and the Executive Committee proposals for appropriate action in regard to matters coming before them.

## ARTICLE VIII (Staff)

1. The staff of the Organization shall be appointed by the Director-General in accordance with such procedure as may be determined by rules made by the Conference.

2. The staff of the Organization shall be responsible to the Director-General. Their responsibilities shall be exclusively international in character and they shall not seek or receive instructions in regard to the discharge thereof from any authority external to the Organization. The Member nations undertake fully to respect the international character of the responsibilities of the staff and not to seek to influence any of their nationals in the discharge of such responsibilities.

3. In appointing the staff the Director-General shall, subject to the paramount importance of securing the highest standards of efficiency and of technical competence, pay due regard to the importance of selecting personnel recruited on as wide a geographical basis as is possible.

4. Each Member nation undertakes, in so far as it may be possible under its constitutional procedure, to accord to the Director-General and senior staff diplomatic privileges and immunities and to accord to other members of the staff all facilities and immunities accorded to non-diplomatic personnel attached to diplomatic missions, or alternatively to accord to such other members of the staff the immunities and facilities which may hereafter be accorded to equivalent members of the staffs of other public international organizations.

## ARTICLE IX (Seat)

The seat of the Organization shall be determined by the Conference.

## ARTICLE X (Regional and Liaison Offices)

1. There shall be such regional offices as the Director-General with the approval of the Conference may decide.

2. The Director-General may appoint officials for liaison with particular countries or areas subject to the agreement of the Government concerned.

## ARTICLE XI (Reports by Members)

1. Each Member nation shall communicate periodically to the Organization reports on the progress made toward achieving the purpose of the Organization set forth in the Preamble and on the action taken on the basis of recommendations made and conventions submitted by the Conference.

2. These reports shall be made at such times and in such form and shall contain such particulars as the Conference may request.

3. The Director-General shall submit these reports, together with analyses thereof, to the Conference and shall publish such reports and analyses as may be approved for publication by the Conference together with any reports relating thereto adopted by the Conference.

4. The Director-General may request any Member nation to submit information relating to the purpose of the Organization.

5. Each Member nation shall, on request, communicate to the Organization, on publication, all laws and regulations and official reports and statistics concerning nutrition, food and agriculture.

## ARTICLE XII (Co-operation with other Organizations)

1. In order to provide for close co-operation between the Organization and other public international organizations with related responsibilities, the Conference may, subject to the provisions of Article XIII, enter into agreements with the competent authorities of such organizations defining the distribution of responsibilities and methods of co-operation.

2. The Director-General may, subject to any decisions of the Conference, enter into agreements with other public international organizations for the maintenance of common services, for common arrangements in regard to recruitment, training, conditions of service, and other related matters, and for interchanges of staff.

## ARTICLE XIII (Relation to any General World Organization)

1. The Organization shall, in accordance with the procedure provided for in the following paragraph, constitute a part of any general international organization to which may be entrusted the co-ordination of the activities of international organizations with specialized responsibilities.

2. Arrangements for defining the relations between the Organization and any such general organization shall be subject to the approval of the Conference. Notwithstanding the provisions of Article XX,

such arrangements may, if approved by the Conference by a two-thirds majority of the votes cast, involve modification of the provisions of this Constitution: Provided that no such arrangements shall modify the purposes and limitations of the Organization as set forth in this Constitution.

## ARTICLE XIV (Supervision of other Organizations)

The Conference may approve arrangements placing other public international organizations dealing with questions relating to food and agriculture under the general authority of the Organization on such terms as may be agreed with the competent authorities of the organization concerned.

## ARTICLE XV (Legal Status)

1. The Organization shall have the capacity of a legal person to perform any legal act appropriate to its purpose which is not beyond the powers granted to it by this Constitution.

2. Each Member nation undertakes, in so far as it may be possible under its constitutional procedure, to accord to the Organization all the immunities and facilities which it accords to diplomatic missions, including inviolability of premises and archives, immunity from suit, and exemptions from taxation.

3. The Conference shall make provision for the determination by an administrative tribunal of disputes relating to the conditions and terms of appointment of members of the staff.

## ARTICLE XVI (Fish and Forest Products)

In this Constitution the term "agriculture" and its derivatives include fisheries, marine products, forestry, and primary forestry products.

## ARTICLE XVII (Interpretation of Constitution)

Any question or dispute concerning the interpretation of this Constitution or any international convention adopted thereunder shall be referred for determination to an appropriate international court or arbitral tribunal in the manner prescribed by rules to be adopted by the Conference.

## ARTICLE XVIII (Expenses)

1. Subject to the provisions of Article XXV, the Director-General shall submit to the Conference an annual budget covering the anticipated expenses of the Organization. Upon approval of a budget the total amount approved shall be allocated among the Member nations in proportions determined, from time to time, by the Conference. Each Member nation undertakes, subject to the requirements of its constitutional procedure, to contribute to the Organization promptly its share of the expenses so determined.

2. Each Member nation shall, upon its acceptance of this Constitution, pay as its first contribution its proportion of the annual budget for the current financial year.

3. The financial year of the Organization shall be July 1 to June 30 unless the Conference should otherwise determine.

## ARTICLE XIX (Withdrawal)

Any Member nation may give notice of withdrawal from the Organization at any time after the expiration of four years from the date of its acceptance of this Constitution. Such notice shall take effect one year after the date of its communication to the Director-General of the Organization subject to the Member nation's having at that time paid its annual contribution for each year of its membership including the financial year following the date of such notice.

## ARTICLE XX (Amendment of Constitution)

1. Amendments to this Constitution involving new obligations for Member nations shall require the approval of the Conference by a vote concurred in by a two-thirds majority of all the members of the Conference and shall take effect on acceptance by two-thirds of the Member nations for each Member nation accepting the amendment and thereafter for each remaining Member nation on acceptance by it.

2. Other amendments shall take effect on adoption by the Conference by a vote concurred in by a two-thirds majority of all the members of the Conference.

## ARTICLE XXI (Entry into Force of Constitution)

1. This Constitution shall be open to acceptance by the nations specified in Annex I.

2. The instruments of acceptance shall be transmitted by each government to the United Nations Interim Commission on Food and Agriculture, which shall notify their receipt to the governments of the nations specified in Annex I. Acceptance may be notified to the Interim Commission through a diplomatic representative, in which case the instrument of acceptance must be transmitted to the Commission as soon as possible thereafter.

3. Upon the receipt by the Interim Commission of twenty notifications of acceptance the Interim Commission shall arrange for this Constitution to be signed in a single copy by the diplomatic representatives, duly authorized thereto, of the nations who shall have notified their acceptance, and upon being so signed on behalf of not less than twenty of the nations specified in Annex I this Constitution shall come into force immediately.

4. Acceptances the notification of which is received after the entry into force of this Constitution shall become effective upon receipt by the Interim Commission or the Organization.

## ARTICLE XXII (First Session of the Conference)

The United Nations Interim Commission on Food and Agriculture shall convene the first session of the Conference to meet at a suitable date after the entry into force of this Constitution.

## ARTICLE XXIII (Languages)

Pending the adoption by the Conference of any rules regarding languages, the business of the Conference shall be transacted in English.

## ARTICLE XXIV (Temporary Seat)

The temporary seat of the Organization shall be at Washington unless the Conference should otherwise determine.

## ARTICLE XXV (First Financial Year)

The following exceptional arrangements shall apply in respect of the financial year in which this Constitution comes into force:

(a) the budget shall be the provisional budget set forth in Annex II to this Constitution; and

(b) the amounts to be contributed by the Member nations shall be in the proportions set forth in Annex II to this Constitution: Provided that each Member nation may deduct therefrom the amount already contributed by it toward the expenses of the Interim Commission.

## ARTICLE XXVI (Dissolution of the Interim Commission)

On the opening of the first session of the Conference, the United Nations Interim Commission on Food and Agriculture shall be deemed to be dissolved and its records and other property shall become the property of the Organization.

# ANNEX I

## Nations Eligible for Original Membership

Australia
Belgium
Bolivia
Brazil
Canada
Chile
China
Colombia
Costa Rica
Cuba
Czechoslovakia
Denmark
Dominican Republic
Ecuador
Egypt
El Salvador
Ethiopia
France
Greece
Guatemala
Haiti
Honduras
Iceland
India
Iran
Iraq
Liberia
Luxembourg
Mexico
Netherlands
New Zealand
Nicaragua
Norway
Panama
Paraguay
Peru
Philippine Commonwealth
Poland
Union of South Africa
Union of Soviet Socialist Republics
United Kingdom
United States of America
Uruguay
Venezuela
Yugoslavia

# ANNEX II

## Budget for the First Financial Year

The provisional budget for the first financial year shall be a sum of 2,500,000 U.S. dollars, the unspent balance of which shall constitute the nucleus of a capital fund.

This sum shall be contributed by the Member nations in the following proportions:

| | *Per cent* | | *Per cent* |
|---|---|---|---|
| Australia | 3·33 | India | 4·25 |
| Belgium | 1·28 | Iran | ·71 |
| Bolivia | ·29 | Iraq | ·44 |
| Brazil | 3·46 | Liberia | ·05 |
| Canada | 5·06 | Luxembourg | ·05 |
| Chile | 1·15 | Mexico | 1·87 |
| China | 6·50 | Netherlands | 1·38 |
| Colombia | ·71 | New Zealand | 1·15 |
| Costa Rica | ·05 | Nicaragua | ·05 |
| Cuba | ·71 | Norway | ·62 |
| Czechoslovakia | 1·40 | Panama | ·05 |
| Denmark | ·62 | Paraguay | ·05 |
| Dominican Republic | ·05 | Peru | ·71 |
| Ecuador | ·05 | Philippines | ·25 |
| Egypt | 1·73 | Poland | 1·19 |
| El Salvador | ·05 | Union of South Africa | 2·31 |
| Ethiopia | ·29 | U.S.S.R. | 8·00 |
| France | 5·69 | United Kingdom | 15·00 |
| Greece | ·38 | U.S.A. | 25·00 |
| Guatemala | ·05 | Uruguay | ·58 |
| Haiti | ·05 | Venezuela | ·58 |
| Honduras | ·05 | Yugoslavia | ·71 |
| Iceland | ·05 | Provision for new Members | 2·00 |
| | | Total | 100.00 |

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 15.

An Act to confer certain powers upon the Governor in Council during the National Emergency following the War.

First reading, October 5, 1945.

THE MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

42409

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 15.

An Act to confer certain powers upon the Governor in Council during the National Emergency following the War.

Preamble.

R.S., c. 206.

WHEREAS the *War Measures Act* provides that the Governor in Council may do and authorize such acts and things, and make from time to time such orders and regulations, as he may by reason of the existence of real or apprehended war deem necessary or advisable for the security, defence, peace, order and welfare of Canada; And whereas the said Act is in force only during war and the powers conferred are exercisable only by reason of the existence of war; And whereas it is necessary for the peace, order and good government of Canada that during the period of transition to normal from the exceptional conditions existing during the war, with the attendant dangers and responsibilities for the nation as a whole, acts and things done and authorized and regulations and orders made under the *War Measures Act* be continued in force and that the Governor in Council be authorized to do and authorize during the said period such further acts and things and make such further orders and regulations as he may by reason of the national emergency resulting from the war deem necessary or advisable for the security, defence, peace, order and welfare of Canada: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

R.S., c. 206.

SHORT TITLE.

Short title.

**1.** This Act may be cited as *The National Emergency Powers Act, 1945.*

PROCLAMATION.

Continuation of national emergency.

**2.** The national emergency resulting from the present war against Germany and Japan shall be presumed to

continue until, by the issue of a proclamation under the authority of the Governor in Council, it is declared that the emergency no longer exists.

POWERS OF GOVERNOR IN COUNCIL.

Powers of G. in C.

**3.** (1) The Governor in Council may do and authorize such acts and things, and make from time to time such orders and regulations, as he may by reason of the existence of the national emergency resulting from the present war against Germany and Japan deem necessary or advisable for the security, defence, peace, order and welfare of Canada; and for greater certainty, but not so as to restrict the generality of the foregoing terms, it is hereby declared that the powers of the Governor in Council extend to all matters coming within the classes of subjects hereinafter enumerated, that is to say:—

*(a)* production, manufacture, trading, exportation and importation;

*(b)* foreign exchange;

*(c)* transportation by air, road, rail or water;

*(d)* supply and distribution of goods and services, including the fixing of prices;

*(e)* employment, including salaries and wages;

*(f)* appropriation, control, forfeiture and disposition of property and of the use thereof, including the control of rentals and occupation;

*(g)* entry into Canada, exclusion and deportation, and revocation of nationality;

*(h)* imposition and recovery, in connection with any scheme of control contained in or authorized by orders and regulations, of charges payable to the Receiver General of Canada or into such fund or account as may be ordered.

Orders and regulations.

(2) All orders and regulations made under this Act or pursuant to authority created under this Act have the force of law and shall, for the purposes of the *Interpretation Act*, be deemed to be regulations.

R.S., c. 1.

Territorial operation.

(3) Unless the contrary intention appears therein, no order or regulation made under this Act or pursuant to authority created under this Act has extra-territorial operation, but the limitation herein contained does not operate in the case of the orders and regulations under the *War Measures Act* referred to in section five of this Act.

Orders to be laid before Parliament.

(4) Every order in council made under this Act shall be laid before Parliament as soon as may be after it is made.

Penalties.

**4.** The Governor in Council may prescribe penalties by way of fine or by way of imprisonment for a term not exceeding five years, or by way of both fine and such

imprisonment, that may be imposed for violation of orders or regulations made under this Act and may also prescribe whether, and the circumstances in which, the said penalties shall be imposed upon summary conviction or upon indictment or upon either summary conviction or indictment.

Orders and regulations re-enacted.

**5.** The orders and regulations made under the *War Measures Act* or pursuant to authority created under the said Act in force immediately before the day this section comes into force shall, except for the purposes of subsection four of section three of this Act, be deemed to be re-enacted on that day under this Act or pursuant to authority created under this Act.

PROCEDURE.

Expropriation.

**6.** Whenever any property or the use thereof has been appropriated by His Majesty under the provisions of this Act or any order or regulation made thereunder and compensation is to be made therefor and has not been agreed upon, the claim shall be referred by the Minister of Justice to the Exchequer Court, or to any superior or county court of the province within which the claim arises, or to a judge of any such court.

Seizure and detention of property.

**7.** Any ship or vessel used or moved, or any goods, wares or merchandise dealt with, contrary to any order or regulation made under this Act, may be seized and detained and shall be liable to forfeiture, at the instance of the Minister of Justice, upon proceedings in the Exchequer Court of Canada, or in any superior court.

Court procedure.

**8.** Every court mentioned in the two sections last preceding may make rules governing the procedure upon any reference made to, or proceedings taken before, such court or a judge thereof under the said sections.

COMMENCEMENT AND DURATION.

Coming into force.

**9.** This Act shall come into force on a day fixed by proclamation of the Governor in Council and on and after that day the present war, shall for the purposes of the *War Measures Act*, be deemed no longer to exist.

Continuation.

**10.** This Act shall continue in force for a period of one year after it comes into force and shall then expire unless at any time while this Act is in force, addresses are presented to the Governor General by the Senate and House

of Commons respectively, praying that this Act should be continued in force for a further period of one year from the time at which it would otherwise expire and the Governor in Council so orders, in which event, this Act shall continue in force for that further period.

Expiration.

**11.** Notwithstanding anything in the last preceding section, if by proclamation the Governor in Council declares that the emergency that was the occasion of the passing of this Act no longer exists, this Act shall expire at the end of the day on which the proclamation is issued.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 16

An Act to amend The Alberta Natural Resources Act.

AS PASSED BY THE HOUSE OF COMMONS,
27th NOVEMBER, 1945.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

1477

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 16.

An Act to amend The Alberta Natural Resources Act.

1930, c. 3; 1931, c. 15; 1938, c. 36.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

Short title.

**1.** This Act may be cited as *The Alberta Natural Resources Transfer (Amendment) Act, 1945.*

Agreements confirmed.

**2.** The Agreements set out in Schedules One and Two to this Act are confirmed and shall have the force of law and take effect according to the respective terms thereof.

Final licences.

**3.** Notwithstanding the provisions of any other law or Act of the Parliament of Canada the Minister of Mines and Resources shall have authority to issue the final licences referred to in the Agreement set out in Schedule One to this Act and in the interim water power agreements and licences now in force.

## SCHEDULE I

MEMORANDUM OF AGREEMENT made this 25th day of September A.D. 1945

BETWEEN

THE GOVERNMENT OF THE DOMINION OF CANADA, represented herein by the Honourable James Allison Glen, Minister of Mines and Resources

OF THE FIRST PART:

AND

THE GOVERNMENT OF THE PROVINCE OF ALBERTA represented herein by the Honourable Duncan Bruce MacMillan, Minister of Agriculture and in charge of Water Resources

OF THE SECOND PART:

WHEREAS in giving effect to the provisions of the Agreement entered into between the Government of the Dominion of Canada and the Government of the Province of Alberta on the 14th day of December, A.D. 1929, and the Supplementary Agreement entered into between them on the 5th day of March, A.D. 1938 (together hereinafter referred to as the Natural Resources Transfer Agreement), differences have arisen between the parties hereto in connection with certain water powers on the Bow River lying within or adjacent to the Stony Indian Reserve developed by the Calgary Power Company Limited and its predecessor in interest prior to the 1st day of October, A.D. 1930;

AND WHEREAS differences have also arisen between the parties hereto as to whether the Dominion or the Province is entitled to the benefits and subject to the obligations of the Licensor under the Licences and Water Power Agreements heretofore granted in respect of the said water powers;

AND WHEREAS it is desirable that these differences should be resolved so as to carry out the true intent and purpose of the Natural Resources Transfer Agreement;

AND WHEREAS by Paragraph 24 of the Natural Resources Transfer Agreement it was agreed that the provisions of the said Agreement might be varied by agreement confirmed by concurrent statutes of the Parliament of Canada and the Legislature of the Province.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT:

1. With respect to the water power at Horseshoe Falls,—

*(a)* The interest of the Crown in the bed and banks of the Bow River and in all waters and water power rights appurtenant thereto within the limits of the tract of land described in Schedule "A" hereto shall continue as and from October 1, 1930, to be vested in the Crown in the right of Canada. All rights and obligations of

## Explanatory Note.

The purpose of this Bill is to confirm the Agreements between the Government of Canada and the Government of Alberta set out in Schedules One and Two.

### Schedule One.

The Agreement in Schedule One of the Bill provides for the settlement of differences which have arisen between the Dominion and the Province as to the effect of the Natural Resources Transfer Agreement on the ownership and control of three developed power sites on the Bow River lying within or adjacent to the Stony Indian Reserve. The three sites known as the Horseshoe, Kananaskis and Ghost sites were developed by the Calgary Power Company Limited and are being operated under authorizations issued by the Dominion Government in the years 1909, 1912 and 1929 respectively, when they were under exclusive Dominion jurisdiction prior to the transfer of natural resources in 1930.

The Agreement in Schedule One provides that the land and water power at the two sites in which the Indian interest predominates, namely Horseshoe and Kananaskis, are to remain under Dominion jurisdiction while the Ghost site where the Provincial interest is substantial shall be deemed to have passed to the Province at the time of the transfer of the natural resources. The Minister of Mines and Resources will issue all three licences which are to replace the existing authorizations and will continue to administer the Horseshoe and Kananaskis developments, while the Province will be responsible for administration of the Ghost development as soon as the final licence is issued.

### Schedule Two.

Under the Alberta Natural Resources Transfer Act, 1930, certain public shooting grounds and bird sanctuaries were preserved. Many of them have now dried up or are otherwise unsuitable for the purposes for which they were originally set aside. The agreement in Schedule Two provides that these reservations may be cancelled by agreement between the two responsible Ministers concerned with the approval of the Governor in Council and the Lieutenant-Governor in Council.

Section three of the Bill authorizes the Minister of Mines and Resources, notwithstanding the provisions of any other law or Act, to issue the final licences to the Calgary Power Company Limited for the three developed power sites on the Bow River referred to in the Agreement set out in Schedule One to which the Company are entitled under the terms of the original authorizations.

the Crown under the Letters Patent dated April 23, 1909, granted to Calgary Power and Transmission Company, Limited, and under the Water Power Agreement dated October 14, 1909, between the Minister of the Interior and Calgary Power and Transmission Company, Limited, and the Regulations applicable thereto shall continue to be exercisable by and binding upon the Crown in the right of Canada. The Dominion Minister shall issue the Horseshoe Falls Licence for the second term of twenty-one years from October 14, 1935, provided for in the said Water Power Agreement and shall issue any renewals of the licence subject to and as provided in the said Water Power Agreement and Regulations but in such renewals of the licence no change shall be made in the rental or any other condition of the licence except by agreement between the Dominion and Provincial Ministers. If the said Ministers fail to agree on a readjusted rental for a renewal period, the same shall be fixed by arbitration, one arbitrator to be appointed by the Governor in Council, the second by the Lieutenant Governor in Council and the third by the two so appointed, or in case they fail to agreed by the Chief Justice of Canada, and except as herein provided, the provisions of the Arbitration Act of the province of Alberta shall so far as applicable govern such arbitration but without prejudice to the Licensee's right to arbitration as in the said Regulations provided. Any voluntary transfer of the Horseshoe Falls Licence to the Province or to any authority of the Province whereby the Assignee or Transferee has undertaken to assume all the obligations of the Licensee thereunder and any transfer, charge or encumbrance thereof by way of mortgage or trust deed which is approved by the Board of Public Utility Commissioners or by any other authority, board or commission designated by the Provincial Minister shall be effective subject to the Dominion Minister being notified ninety days prior to the transfer.

*(b)* The annual sum of $1,500 payable under the said Letters patent dated April 23rd, 1909, together with all sums of money payable under the terms of any water power agreement or licence covering the said water power, shall continue to be payable to Canada for the benfit of the Indians of the Stony Band.

2. With respect to the water power at Kananaskis Falls,—

*(a)* The interest of the Crown in the bed and banks of the Bow and Kananaskis rivers and in all waters and water power rights appurtenant thereto within the limits described in Schedule "B" hereto, shall continue as and from October 1, 1930, to be vested in the Crown in the right of Canada. All rights and obligations of the Crown under the Water Power Agreement dated October 14, 1912, between the Minister of the Interior and Calgary Power Company, Limited, (excepting those contained in the provisions of Paragraph 27 thereof relative to the leasing of former Park lands which have passed to the Province) and the Regulations applicable thereto shall continue to be exercisable by and binding upon the Crown in the right of Canada. The Dominion Minister

shall issue the Kananaskis Falls licence for the second term of twenty-one years from October 14, 1936, provided for in the said Water Power Agreement and shall issue any renewals of the licence subject to and as provided in the said Water Power Agreement and Regulations but in such renewals of the licence no change shall be made in the rental or any other condition of the licence except by agreement between the Dominion and Provincial Ministers. If the said Ministers fail to agree on a readjusted rental for a renewal period, the same shall be fixed by arbitration, one arbitrator to be appointed by the Governor in Council, the second by the Lieutenant Governor in Council and the third by the two so appointed, or in case they fail to agree by the Chief Justice of Canada, and except as herein provided, the provisions of the Arbitration Act of the Province of Alberta shall so far as applicable govern such arbitration but without prejudice to the Licensee's right to arbitration as in the said Regulations provided. Any voluntary transfer of the Kananaskis Falls Licence to the Province or to any authority of the Province whereby the Assignee or Transferee has undertaken to assume all the obligations of the Licensee thereunder and any transfer, charge or encumbrance thereof by way of mortgage or trust deed which is approved by the Board of Public Utility Commissioners or by any other authority, board or commission designated by the Provincial Minister shall be effective subject to the Dominion Minister being notified ninety days prior to the transfer.

*(b)* As the administrative authority since October 1, 1930, for the former Park lands lying outside the Stony Indian Reserve, the Province will carry out the provisions of Paragraph 27 of the said Water Power Agreement dated October 14, 1912. In the event of Canada acquiring the Kananaskis Falls Power development pursuant to the terms of the said Licence and Regulations, the Province will renew the lease referred to in the said Paragraph 27 to Canada or its nominee on terms to be agreed upon between Canada and the Province, or in default of agreement to be settled by a judge of the Supreme Court of Alberta nominated by the Chief Justice of Alberta.

*(c)* All sums payable under the terms of the Agreement dated May 20, 1914, between the Calgary Power Company, Limited, and certain Indians of the Stony Band for land and water power rights at Kananaskis Falls, shall continue to be payable to Canada for the benefit of the Indians.

*(d)* As and from October 1, 1930, all sums which have been paid or are payable under the terms of the said Water Power Agreement of October 14, 1912, other than Paragraph 27 thereof, shall be divided between Canada for Indian Interests and the Province, and shall be paid to Canada and the Province respectively in proportion to the developed head within and without the Stony Indian Reserve namely, in the proportion of 45/72 to Canada and 27/72 to the Province.

*(e)* All sums which have been paid or are payable to Canada by the Licensee under the terms of any Water Power Licence granted by Canada pursuant to the said Agreement of October 14, 1912, including as such the annual sum of $1,500 payable to the Superintendent General of Indian Affairs under the said Agreement of May 20th, 1914, or any Patent or other grant of land confirming or replacing the said Agreement, shall be divided between Canada for Indian Interests and the Province, and shall be paid to Canada and the Province respectively in proportion to the developed head within and without the Stony Indian Reserve namely, in the proportion of 45/72 to Canada and 27/72 to the Province provided that Canada's share of such division shall never be less than $1,500 per annum.

*(f)* All sums which become payable under the terms of the lease to be granted by the Province for the former Park land lying outside the said Reserve in pursuance of the terms of the said Agreement of October 14, 1912, shall belong to and be payable to the Province.

*(g)* In the event of Canada acquiring the Kananaskis Falls Power Development pursuant to the terms of the said Licence and Regulations, Canada shall thereafter during the operation of the plant at the Kananaskis Falls site pay to the Province an annual sum in respect of water rentals equal to the amount payable to the Province for water rentals in the year preceding such acquisition.

3. With respect to the water power at the Ghost site,—

*(a)* The Dominion Minister shall issue the Final Licence provided for in the Interim Licence granted by the Minister of the Interior of Canada on the 17th day of January, 1929, subject to and in accordance with the Water Power Regulations established under The Dominion Water Power Act by Order in Council dated October 31, 1921, published in the *Canada Gazette* of November 12, 1921, and as amended as to Sections 48 (13) and 83A by Order in Council of September 10, 1928, published in the *Canada Gazette* of September 15, 1928. The said Final Licence shall provide that as from the 1st day of January, 1930, the date upon which the Licensee completed the initial development and became entitled to a Final Licence, all transmission lines and distribution systems then or thereafter forming part of the Licensee's interconnected electrical power system within the limits of the Province of Alberta shall form part of the undertaking established under the said Final Licence in accordance with Section 44*(e)* of the said Regulations and the fixation of cost of the Ghost Power Development shall include all costs of such undertaking to and including 31st December, 1944. The said Final Licence shall also provide that for the purposes of Section 49 of the said Regulations the said undertaking shall also include as from 1st January, 1930, the Horseshoe Falls Power Development, the Kananaskis Falls Power Development and all other power and storage developments of the Licensee within the limits of the Province of Alberta constituting for the time being with the Ghost undertaking one interconnected power system of the

Licensee. The Dominion Minister, or his Deputy, may do and perform all such acts and things for the issuing of the said Final Licence as are provided herein and in the said Regulations. The Dominion Minister shall also fix the "actual cost" as defined in and in the manner provided in the Water Power Regulations established under the Dominion Water Power Act by Order in Council dated October 31, 1921, of the Horseshoe Falls and Kananaskis Falls Power Developments as at 31st December, 1944.

*(b)* The interest of the Crown in the bed and banks of the Bow River at the Ghost site from the eastern boundary of the Stony Indian Reserve to the upstream limit of floodage as shown upon Record Plan numbered 2884 on file in the Office of the Controller of Water Power at Ottawa, and in all waters and water power rights appurtenant thereto shall be deemed to belong and to have belonged to the Province as and from October 1, 1930, subject to the Final Licence for the use of all the waters of the Bow River at the said site to be issued as provided in Paragraph 3 *(a)* hereof and the provisions of Paragraphs 1, 2 and 3 of the Natural Resources Transfer Agreement of December 14, 1929, shall apply to the said Final Licence when issued with the same effect as if the said Licence had been issued prior to October 1, 1930, and as if all the rights and obligations of the Crown thereunder and under the Regulations had been transferred to and assumed by the Province by the Natural Resources Transfer Agreement. After such transfer and assumption as aforesaid in the application of the said Regulations amended as aforesaid to the said Licence the "Provincial Minister" shall be substituted for "the Minister of the Interior", the "Department" shall be substituted for "the Department of the Interior" and "the Supreme Court of Alberta" shall be substituted for "the Exchequer Court of Canada", and "the Crown" shall mean the Crown in the right of the Province.

*(c)* As and from October 1, 1930, all sums which have been paid or are payable under the terms of the said Interim Licence of January 17, 1929, and the Final Licence referred to in paragraph 3 *(a)* above for water power rights, since that date shall be divided between Canada and the Province in the proportions of one-half to Canada for the benefit of the said Indians of the Stony Band and one-half to the Province, and shall be paid to Canada and the Province respectively in the proportions stated.

*(d)* In the event of the said Final Licence, referred to in paragraph 3 *(a)* above, expiring or being terminated, the Province shall thereafter during the operation of the generating plant at the Ghost site, pay to Canada for the benefit of the Stony Band of Indians an annual sum equal to one-half of the average annual water power rental payable in the last five years preceding such expiry or termination or such lesser sum as the Superintendent General of Indian Affairs may fix as just and reasonable in the circumstances, provided that if the said plant be closed down the annual sum payable by the Province to Canada for the benefit of the Stony Band of Indians shall so long as the dam contributes to storage or river control be $3,500.

*(e)* As and from October 1st, 1930, all sums payable for the use or occupation of land under the terms of the Interim Licence of January 17th, 1929, and the Final Licence referred to in paragraph 3 *(a)* above, shall belong to and be payable to the Province.

4. The licences to be issued as herein provided shall be in the form and terms of the drafts thereof initialled for identification by the Dominion Minister and the Provincial Minister, respectively, and shall be valid and effective according to such terms, but nothing herein contained shall be deemed to be a waiver of any other rights, interests or obligations of either Canada or the Province arising out of the Natural Resources Transfer Agreement or otherwise and in particular neither Canada nor the Province waives any claim it may have or assert or admits any claim which the other party may have or assert to the title and control of the bed and banks of the Bow River or in the waters and water power rights appertaining thereto except as herein provided.

5. As used herein the expression "Dominion Minister" means The Minister of Mines and Resources of Canada and his successor in office for the time being, and the expression "Provincial Minister" means the Minister for the time being charged with the administration of the Water Resources Act of the Province of Alberta.

6. This agreement is made subject to its being approved by the Parliament of Canada and by the Legislature of the Province of Alberta, and shall take effect on the first day of the calendar month beginning next after its approval as aforesaid, whichever approval, that of the Parliament of Canada or that of the Legislature of the Province, shall be later in date.

IN WITNESS WHEREOF the Honourable James Allison Glen, Minister of Mines and Resources, has hereunto set his hand on behalf of the Government of the Dominion of Canada; and the Honourable Duncan Bruce MacMillan, Minister of Agriculture and in charge of Water Resources, has hereunto set his hand on behalf of the Government of the Province of Alberta.

Signed on behalf of the Government of Canada by the Honourable James Allison Glen, Minister of Mines and Resources, in the presence of: "J. ALLISON GLEN"

"C. W. JACKSON"

Signed on behalf of the Government of Alberta by the Honourable Duncan Bruce MacMillan, Minister of Agriculture and in charge of Water Resources, in the presence of: "D. B. MACMILLAN"

"KATHLEEN L. CONNORS"

## SCHEDULE "A"

All that tract of land situated partly on the right bank and partly on the left bank of the Bow River in the Stony Indian Reserve, described as follows:—Commencing at a point in the northerly side of the Right of Way of the Canadian Pacific Railway, distant twenty-four chains easterly from the fifty-first mile post of the said Railway:—thence North 65° 37′ West twenty-two chains:—thence North 39° 37′ West forty-two chains:—thence North 50° 23′ East, one hundred and forty-six chains and thirty links:—thence South 49° 37′ East, thirty-six chains and thirty-six links:—thence South 39° 37′ East thirty chains and sixty-eight links to the northerly limit of the Right of Way of the Canadian Pacific Railway:—thence westerly along the said northerly limit to the point of commencement, all as shown on a plan of record in the Department of Indian Affairs, dated 5th April, 1909, as 821A, together with the bed and banks of the Bow River from the easterly boundary of the tract of land above described up to the tail-water level of the Kananaskis Power plant.

## SCHEDULE "B"

All those portions of the beds and banks of the Bow and Kananaskis Rivers from the tail-water level of the Kananaskis Plant to the south-western boundary of the Stony Indian Reserve, and from thence to the limits of floodage of the Kananaskis Falls Power Development as shown on Record Plan numbered 2894 on file in the office of the Controller of Water Power at Ottawa, and to such further limits on the said rivers to which the floodage may be from time to time extended with the consent of the Minister for the time being charged with the administration of the Water Resources Act of the Province of Alberta.

## SCHEDULE II

MEMORANDUM OF AGREEMENT made this 26th day of September, 1945.

BETWEEN:

THE GOVERNMENT OF THE DOMINION OF CANADA, represented herein by the Honourable James Allison Glen, Minister of Mines and Resources,

OF THE FIRST PART,

AND

THE GOVERNMENT OF THE PROVINCE OF ALBERTA, represented herein by the Honourable Nathan Eldon Tanner, Minister of Lands and Mines,

OF THE SECOND PART.

WHEREAS, the Agreement entered into between the parties hereto on the fourteenth day of December, A.D. 1929, (hereinafter referred to as the Natural Resources Transfer Agreement), was duly approved by the Parliament of Canada and the Legislature of the Province, and upon an address to His Majesty from the Senate and House of Commons of Canada, was confirmed and declared to have the force of law by an Act of the Parliament of the United Kingdom of Great Britain and Northern Ireland entitled "*The British North America Act, 1930*", being chapter twenty-six of the Imperial Statutes, 20-21 George V;

AND WHEREAS, by paragraph 24 of the said Natural Resources Transfer Agreement it was agreed that the provisions of the said Agreement might be varied by an Agreement confirmed by concurrent statutes of the Parliament of Canada and the Legislature of the Province;

AND WHEREAS, the said Natural Resources Transfer Agreement came into force, in virtue of a further Agreement between the parties thereto, dated the twenty-ninth day of July, A.D. 1930, which was duly confirmed by concurrent statutes of the Parliament of Canada and the Legislature of the Province, on the first day of October, A.D. 1930;

AND WHEREAS, it was provided by paragraph 19 of the said Agreement as follows: "The Province will not dispose of any historic site which is notified to it by Canada as such and which Canada undertakes to maintain as an historic site. The Province will further continue and preserve as such the bird sanctuaries and public shooting grounds which have been already established and will set aside such additional bird sanctuaries and public shooting grounds as may hereafter be established by agreement between the Minister of the Interior and the Provincial Secretary or such other Minister of the Province as may be specified under the laws thereof."

AND WHEREAS, it has been agreed between Canada and the Province of Alberta that certain public shooting grounds and bird sanctuaries which were established at the time of the making of the said Natural

Resources Transfer Agreement and since maintained by the Province should be discontinued and that authority should also be given under certain conditions to discontinue any public shooting grounds and bird sanctuaries established pursuant to the said Agreement;

NOW THEREFORE,

this Agreement witnesseth as follows:

1. The said Natural Resources Transfer Agreement is hereby amended by adding after the above mentioned paragraph 19 the following new paragraph:

"19a. The Province may discontinue any bird sanctuary or public shooting ground which was transferred to the Province by virtue of this Agreement or which has since been established by the Province or which may hereafter be established by the Province pursuant to this Agreement in any case in which an agreement is entered into between the Minister of Mines and Resources of Canada and the Minister of Lands and Mines of Alberta approved by the Governor in Council and the Lieutenant Governor in Council respectively, providing for the discontinuance of any such bird sanctuary or public shooting ground."

2. This Agreement is made subject to its being approved by the Parliament of Canada and by the Legislature of the Province of Alberta, and shall take effect on the first day of the calendar month beginning next after its approval as aforesaid, whichever approval, that of the Parliament of Canada or that of the Legislature of the Province, shall be later in date.

IN WITNESS WHEREOF, the Honourable James Allison Glen, Minister of Mines and Resources, has hereunto set his hand on behalf of the Dominion of Canada; and the Honourable Nathan Eldon Tanner, Minister of Lands and Mines, has hereunto set his hand on behalf of the Province of Alberta.

| | |
|---|---|
| SIGNED on behalf of the Government of Canada by the Honourable James Allison Glen, Minister of Mines and Resources, in the presence of "C. W. JACKSON." | "J. ALLISON GLEN." |
| SIGNED on behalf of the Government of Alberta by the Honourable Nathan Eldon Tanner, Minister of Lands and Mines, in the presence of "GRACE A. M. MATHESON" | "N. E. TANNER." |

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 17.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

**AS PASSED BY THE HOUSE OF COMMONS, 9th OCTOBER, 1945.**

No First Reading

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

45759

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 17.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency the Right Honourable the Earl of Athlone, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-six, and for other purposes connected with the public service: May it therefore please Your Majesty that it may be enacted, and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

**1.** This Act may be cited as *The Appropriation Act, No. 4, 1945.*

$29,769,000.11 granted for 1945-46.

**2.** From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole twenty-nine million, seven hundred and sixty-nine thousand dollars and eleven cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-five, to the thirty-first day of March, one thousand nine hundred and forty-six, not otherwise provided for, and being one-twelfth of the amount of each of the items to be voted, set forth in the Main Estimates for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-six, as laid before the House of Commons at the present session of Parliament.

Account to be rendered in detail.

**3.** A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the next session of Parliament.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 18.

An Act to amend the Criminal Code.

First reading, October 12, 1945.

MR. BRYCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

45342

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 18.

An Act to amend the Criminal Code.

R.S., c. 36; 1930, c. 11; 1931, c. 28; 1932, cc. 7, 8, 9, 28; 1932-33, cc. 25, 53; 1934, cc. 11, 47; 1935, cc. 36, 56; 1936, c. 29; 1938, c. 44; 1939, (1st Sess.) c. 30; 1943-44, c. 23; 1944-45, c. 35.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Paragraph *(a)* of section seven hundred and fifty of the *Criminal Code*, chapter thirty-six of the Revised Statutes, 1927, as enacted by section thirty-eight A of chapter forty-four of the statutes of 1938 and amended by section seventeen of chapter thirty of the statutes of 1939 and section five of chapter thirty-five of the statutes of 1944-45, is repealed and the following substituted therefor:—

Procedure on appeals.

"*(a)* if a conviction or order is made fourteen or more days before a sittings of the court to which an appeal is given, such appeal shall be made to that sittings; but if the conviction or order is made less than fourteen days before a sittings, the appeal shall be made to the second sittings next after such conviction or order; and in either case the appeal shall be made to such later sittings of the court appealed to as a judge of such court may order:

In Nova Scotia.

Provided that in the province of Nova Scotia the appeal shall be to a sittings of the court in the county where the cause of the information or complaint arose; in the one case to the sittings next after and in the other to the second sittings after the conviction or order;

Prince Edward Island.

Provided further that, in the province of Prince Edward Island on application of any party to the appeal, the court to which an appeal is given may set down the appeal for hearing at a special sittings of the court to be held at a date earlier than the sittings to which the appeal has been made; and

## Explanatory Notes.

The proposed amendment deals with Appeals from Summary Convictions under Part XV of the Criminal Code.

As the law stands at the present time, a person has ten days in which to appeal his conviction by filing and serving his Notice of Appeal, which time limit may be extended for an additional period of twenty days, except in the Northwest Territories, by order of a judge of the court appealed to. The Appeal must be to the next sittings of such court following the date of conviction but, if such sittings fall on a date before the expiration of fourteen days from the date of conviction, the Appeal shall be directed to the next following sittings of such court.

This condition of the law works great hardship and injustice in the case of convicted persons who reside and are tried in remote and outlying localities of the country where, because of communication and transportation difficulties, it is physically impossible to serve and file the notice of appeal within the statutory period of a total of thirty days.

The purpose of the amendment is to give the judge of the court appealed to a wider discretion in extending the time for serving and filing notice of appeal to three months and to fixing the particular sittings of the court at which the appeal is to be heard, as the extended time may overrun the "next" sittings. The amendment will thus allow residents of remote areas, who feel aggrieved by a conviction, to have recourse to an appeal, which recourse now seems to be barred to them because of communication and transportation difficulties abovementioned.

The proposed amendments are indicated by the added words underlined in the text.

Sittings of Superior Court, Quebec.

Provided further that in the province of Quebec in the judicial districts where terms are not fixed by proclamation of the Lieutenant Governor the sittings of the Superior Court shall, for the purposes of this section, be deemed to commence, save during legal vacation periods, on the first day of each week;"

**2.** Paragraph *(b)* of section seven hundred and fifty of the said Act, as enacted by section eighteen of chapter thirty of the statutes of 1939, is repealed and the following substituted therefor:—

Notice of appeal.

"*(b)* the applicant shall give notice of his intention to appeal by filing in the office of the clerk, or in the province of Alberta in the office, in the judicial or sub-judicial district in which the cause of the information or complaint arose, of the clerk or deputy clerk, of the court appealed to a notice in writing setting forth with reasonable certainty the conviction or order appealed against and the notice shall be served upon the respondent and the justice who tried the case, or, in the alternative, upon such person or persons as a judge of the court appealed to shall direct, and such service and filing shall be within ten days of the making of the conviction or order complained of, or within such further time, not exceeding in the Northwest Territories an additional fifty days, and elsewhere an additional three months, as a judge of the court appealed to may see fit to fix either before or after the expiration of the said ten days;"

19.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 19.

An Act to amend the Aeronautics Act.

First reading, October 12, 1945.

THE MINISTER OF MUNITIONS AND SUPPLY
THE MINISTER OF RECONSTRUCTION

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
45994 1945

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 19.

An Act to amend the Aeronautics Act

R.S., c. 3; 1944-45, c. 28.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

**1.** Paragraph *(d)* of section six of the *Aeronautics Act*, chapter three of the Revised Statutes of Canada, 1927, as enacted by section six of chapter twenty-eight of the statutes of 1944-45, is repealed and the following substituted therefor:

"commercial air service."

"*(d)* 'commercial air service' means any use of aircraft in or over Canada for hire or reward;"

**2.** Section seven of the said Act, as enacted by section six of chapter twenty-eight of the statutes of 1944-45, is amended by adding thereto the following subsections:

Quorum.

"(8) Two members of the Board shall form a quorum.

Vacancies.

"(9) No vacancy on the Board shall impair the authority of the remaining members to act."

**3.** The said Act is further amended by adding thereto, immediately after section seven thereof, the following sections:

Jurisdiction.

"7A. (1) The Board shall have full jurisdiction to inquire into, hear and determine any application by or on behalf of any interested party

*(a)* complaining that any air carrier has failed to do any act, matter or thing required to be done by this Act or by any regulation, order or direction made thereunder by the Board, or that any air carrier has done or is doing any act, matter or thing contrary to or in violation of this Part, or any such regulation, order or direction; or

*(b)* requesting the Board to make any order or give any direction, leave, sanction or approval which by law it is authorized to make or give, or with respect to

## Explanatory Notes.

Section **1.** This amendment is intended:

To provide that the definition of "commercial air service" which is at present limited to "transport of goods and passengers . . . for hire or reward" will be extended to cover all commercial air operations for hire or reward.

Section **2.**

The two new subsections added by this section are intended to clarify the legal position of the Board respecting quorum and vacancies. Similar provisions are contained in the *Railway Act* with respect to the Board of Transport Commissioners.

Section **3.**

This section adds two new sections respecting procedure and authority in holding hearings and making and enforcing orders. Similar provisions exist in the *Railway Act* respecting the Board of Transport Commissioners.

any matter, act or thing which by this Part or any such regulation, order or direction is prohibited, sanctioned or required to be done.

Mandatory orders.

(2) The Board may order and require any air carrier to do, forthwith or within or at any specified time and in any manner prescribed by the Board so far as is not inconsistent with this Act, any act, matter or thing which such air carrier is or may be required to do under this Part or any regulation, order or direction made thereunder by the Board and may forbid the doing or continuing of any act, matter or thing which is contrary to this Part or any such regulation, order or direction and shall, for the purposes of this section, have full jurisdiction to hear and determine all matters, whether of law or fact.

Powers of a court.

(3) The Board shall, as regards the attendance, swearing and examination of witnesses, the production and inspection of documents, the enforcement of its orders, the entry of and inspection of property and other matters necessary or proper for the due exercise of its jurisdiction, have all such powers, rights and privileges as are vested in a superior court of record.

Enforcement of Board orders.

(4) Any decision or order made by the Board may, for the purpose of enforcement thereof, be made a rule, order or decree of the Exchequer Court or of any superior court of any province of Canada and shall be enforced in like manner as any rule, order or decree of such court.

Practice and procedure.

R.S., c. 170.

(5) To make a decision or order of the Board a rule, order or decree of any such court, the practice and procedure authorized by section forty-nine of the *Railway Act* may be followed with such variations as circumstances may require.

Witnesses and evidence.

"7B. (1) The Board, or any member of the Board, may order that any person resident or present in Canada may be examined upon oath before, or make production of books, papers, documents or articles to the Board, or any member of the Board, or before or to any officer of the Board, or before or to any other person named for the purpose by the order of the Board or such member, and may make such orders as seem proper for securing the attendance of such witness and his examination, and the production by him of books, papers, documents, or articles, and the use of the evidence so obtained, and otherwise exercise, for the enforcement of such orders or punishment for disobedience thereof, all powers that are exercised by any superior court in Canada for the enforcement of subpoenas to witnesses or punishment of disobedience thereof: Provided that no person shall be compellable, against his will, to attend for such examination or production at any place outside the province in which he is served with the order

Proviso.

of the Board for the purpose, and that every person attending pursuant to subpoena shall, in the discretion of the Minister or the Board, be entitled to receive fees and allowances as if summoned to appear before the Exchequer Court.

Commissions to take evidence in foreign countries.

(2) The Board may issue commissions to take evidence in a foreign country, and make all proper orders for the purpose, and for the return and use of the evidence so obtained."

**4.** Section eleven of the said Act, as enacted by section six of chapter twenty-eight of the statutes of 1944-45, is amended by adding thereto the following paragraphs:

Regulations.

"*(cc)* establishing classifications or groups of air carriers;

"*(dd)* excluding from the operation of the whole or any part of this Part or any regulation, order or direction made or issued pursuant thereto, any air carrier or class or group of air carriers."

**5.** Paragraph *(k)* of the said section eleven of the said Act is repealed and the following substituted therefor:

Penalties.

"*(k)* prescribing penalties, enforceable on summary conviction, for—

(i) contravention of or failure to comply with this Part or any such regulations or any direction or order made by the Board pursuant to this Act or such regulations, or

(ii) making any false statement or furnishing false information to or for the use or information of the Board, or

(iii) making any false statement or furnishing false information when required to make a statement or furnish information pursuant to any regulation, direction or order of the Board;

such penalties not to exceed a fine of five thousand dollars or imprisonment for six months, or both such fine and such imprisonment."

**6.** The said Act is further amended by adding thereto, immediately after section eleven thereof, the following section:

Free and reduced rate transportation.

"**11A.** Nothwithstanding any previous contract or commitment or any other general or special Act or provision, no air carrier shall issue free or reduced rate transportation except with the approval in writing of the Board and under such terms, conditions and forms as the Board may direct."

Section **4.**

To provide flexibility in the application of the regulations and directives under Part II in cases where it would be contrary to the public interest, or work unnecessary hardship on certain classes or groups of air carriers to compel full compliance therewith. Similar flexibility exists in the legislation of other countries.

Section **5.**

The proposed new paragraph *(k)* would remedy probable weaknesses in the present paragraph. Present paragraph *(k)* is confined to contraventions of "regulations" excluding, for example, an order made pursuant to complaint. It also refers only to a penalty for a false statement made or false information given in a "return", possibly excluding, for example, a false statement in an application for licence. Increase of the maximum fine from $1,000.00 to $5,000.00 is proposed because the court would usually be concerned with substantial corporations. The provision for imprisonment remains unchanged. The court's power to cancel licences has been deleted as it is considered the Board is best qualified to decide on any question of cancellation.

Paragraph *(k)* presently reads:

"*(k)* prescribing penalties, enforceable on summary conviction, for—

(i) contravention of or failure to comply with any such regulations, or

(ii) furnishing false information in any return required to be furnished or filed pursuant to any such regulation, or

(iii) making a false statement in any return required to be furnished or filed pursuant to any such regulation,

such penalties not to exceed a fine of one thousand dollars or imprisonment for six months, or both such fine and such imprisonment, and, as an additional or alternative penalty, the cancellation or suspension of any licence issued under this Part;"

Section **6.**

Owing to the special importance of free and reduced-rate transportation in air services it is proposed to make express provision in the Act for control of this subject.

**7.** Section twelve of the said Act, as enacted by section six of chapter twenty-eight of the statutes of 1944-45, is amended by adding thereto, immediately after subsection three thereof, the following subsection:

Exception.

"(3A) The Board may, from time to time, exempt from the operation of the whole or any part of subsection three of this section, any air carrier or commercial air service or any class or group thereof, except a scheduled commercial air service or the operator thereof, either generally or for a limited period or in respect of a limited area, if in the opinion of the Board such exemption is in the public interest."

**8.** Subsection four of section twelve of the said Act is repealed and the following substituted therefor:

Operating certificate necessary.

"(4) Notwithstanding the issue of any such licence, no air carrier shall operate any commercial air service unless and until an operating certificate has been issued by the Minister to such air carrier certifying that the holder is adequately equipped and able to conduct a safe operation as an air carrier over the prescribed route or in the prescribed area."

**9.** Subsections seven and eight of section twelve of the said Act are repealed and the following substituted therefor:

Suspension, cancellation or amendment.

"(7) The Board may issue a licence which differs from the licence applied for and may suspend, cancel or amend any licence or any part thereof where, in the opinion of the Board, public convenience and necessity so requires.

Appeals to the Minister.

"(8) Where the Board suspends, cancels, or amends a licence, refuses to issue a licence applied for, or attaches conditions to which the applicant objects, an appeal may be made to the Minister."

**10.** Section fifteen of the said Act, as enacted by section six of chapter twenty-eight of the statutes of 1944-45, is repealed and the following substituted therefor:

Operating without a licence.

Offence.

Penalty.

"**15.** Every person who operates a commercial air service without a valid licence issued under section twelve of this Act shall be guilty of an offence and shall be liable upon summary conviction to a fine of five thousand dollars or imprisonment for a term of six months or to both such fine and such imprisonment."

**11.** Section seventeen of the said Act, as enacted by section six of chapter twenty-eight of the statutes of 1944-45, is repealed and the following substituted therefor:

Powers subject to international agreement,

"**17.** The powers conferred by this Part on the Board shall be exercised subject to any international agreement or convention relating to civil aviation to which Canada is a party."

Section **7.**

This new subsection (3A) would permit relaxation in appropriate cases of the application of the principle of public convenience and necessity to certain non-scheduled services. Similar flexibility is provided by legislation in other countries.

Section **8.**

The present subsection (4) of section 12 probably technically requires that an operator be in possession of all equipment and have made familiarization flights before obtaining licence. This presents serious problems in completing financial arrangements. It is proposed that the subsection should prohibit operation rather than the issuance of licence before obtaining operating certificate.

The subsection presently reads:

"(4) The Board shall not issue any such licence unless and until an operating certificate has been issued by the Minister to the operator of the proposed commercial air service certifying that the holder thereof is adequately equipped and able to conduct a safe operation as an air carrier over the prescribed route."

Section **9.**

These two subsections are revised to clarify the Board's power to cancel, suspend or amend licences.

The subsections presently read:

"(7) The Board may issue a licence which differs from the licence applied for.

"(8) Where the Board refuses to issue a licence, issues a licence which differs from the licence applied for, or attaches conditions to which the applicant objects, an appeal may be made to the Minister."

Section **10.**

The only change made by the repealing and re-enacting of this section is the increase in the maximum permissible fine from $1,000.00 to $5,000.00 to bring this section in line with the proposed revision of paragraph *(k)* of Section **11.**

Section **11.**

The only change in repealing and re-enacting this section is the substitution of the word "Board" for the word "Minister". Since the only power given to the Minister in this part is a power of approval or appeal in respect to licences issued by the Board, it is clear that the section should refer to powers of the Board.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 20.

An Act respecting Citizenship, Nationality, Naturalization and Status of Aliens.

First reading, October 22, 1945.

THE SECRETARY OF STATE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
45998 1945

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 20.

An Act respecting Citizenship, Nationality, Naturalization and Status of Aliens.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

## Short Title.

Short title.

**1.** This Act may be cited as *The Canadian Citizenship Act.*

## Interpretation.

Definitions.

**2.** In this Act, unless the context otherwise requires,

"Canadian citizen."

*(a)* "Canadian citizen" means a person who is a Canadian citizen under this Act;

"Canadian ship."

1934, c. 44.

*(b)* "Canadian ship" means a 'ship registered in Canada' within the meaning of the *Canada Shipping Act, 1934;*

"certificate of citizenship."

*(c)* "certificate of citizenship" means a certificate of citizenship granted under this Act;

"certificate of naturalization."

*(d)* "certificate of naturalization" means a certificate of naturalization granted under any Act heretofore in force in Canada;

"Clerk" or "Clerk of the Court."

*(e)* "Clerk" or "Clerk of the Court" includes all officers exercising the functions of prothonotary, registrar or clerk of any court having jurisdiction under this Act, and, where a person is designated by the Governor in Council as a court under this Act, means the said person;

'consulate."

*(f)* "consulate" means the office of a Canadian consular officer and includes the office of a Canadian Ambassador, Minister or High Commissioner or of a Canadian Trade Commissioner; and includes the office of a consular or other officer of any other country of the British Commonwealth where a register of births is kept;

"country of the British Commonwealth."

*(g)* "country of the British Commonwealth" means a country listed in the First Schedule to this Act or a country declared for the purposes of this Act to be a country of the British Commonwealth of Nations by proclamation issued under this Act, and includes, in the case of any such country, all colonies, dependencies or territories thereof;

"Court."

*(h)* "Court" means any Superior, Circuit or County Court, and includes in the province of Quebec any district magistrate, and, in the Northwest Territories and in the Yukon Territory, any stipendiary magistrate or any other person designated by the Governor in Council under this Act;

"disability."

*(i)* "disability" means the incapacity of a minor, a lunatic or an idiot;

"domicile" and "Canadian domicile."

*(j)* "domicile" and "Canadian domicile" have the same meaning respectively as under the provisions of the *Immigration Act* in force immediately before the coming into force of this Act;

R.S., c. 93.

"minor."

*(k)* "minor" means a person who has not attained the age of twenty-one years;

"Minister."

*(l)* "Minister" means the Secretary of State of Canada;

"regulation."

*(m)* "regulation" means a regulation made by the Governor in Council under this Act; and

"responsible parent."

*(n)* "responsible parent" means the father: except that, where the father is dead, or where the custody of a child has been awarded to his mother by order of a court of competent jurisdiction, or where a child was born out of wedlock and resides with the mother, "responsible parent" means the mother.

Declaration of Canadian citizenship an adequate statement of national status.

**3.** Where, under any Act of the Parliament of Canada or an order or a regulation made under such an Act, a person is required to state or declare his national status, any person who is a Canadian citizen under this Act may state or declare himself to be a Canadian citizen and his statement or declaration to that effect shall be a good and sufficient compliance with such requirement.

## PART I.

### Natural-Born Canadian Citizens.

Born before the coming into force of the Act.

**4.** The following persons, born before the coming into force of this Act, are natural-born Canadian citizens:—

*(a)* any person born in Canada or on a Canadian ship who has not become an alien at the time of the coming into force of this Act; and

(*b*) any person born outside of Canada otherwise than on a Canadian ship whose father, or in the case of a person born out of wedlock, whose mother

(i) was born in Canada or on a Canadian ship and had not become an alien at the time of that person's birth, or

(ii) was, at the time of that person's birth, a British subject who had Canadian domicile,

if, at the time of the coming into force of this Act, that person has not become an alien, and has either been lawfully admitted to Canada for permanent residence or is a minor.

Born after the coming into force of the Act.

**5.** (1) The following persons, born after the coming into force of this Act, are natural-born Canadian citizens:—

(*a*) any person born in Canada or on a Canadian ship; and

(*b*) any person born outside of Canada otherwise than on a Canadian ship, if

(i) his father, or in the case of a child born out of wedlock, his mother, at the time of that person's birth, is a Canadian citizen by reason of having been born in Canada or on a Canadian ship, or having been granted a certificate of citizenship or having been a Canadian citizen on the coming into force of this Act, and

(ii) the fact of his birth is registered at a consulate or with the Minister, within two years after its occurrence or within such extended period as may be authorized in special cases by the Minister, in accordance with the regulations.

Conditions for retention of Canadian citizenship by persons born outside of Canada.

(2) Notwithstanding anything contained in subsection one of this section, a person born after the coming into force of this Act and outside of Canada otherwise than on a Canadian ship shall cease to be a Canadian citizen upon the expiration of one year after he attains the age of twenty-one years unless after attaining that age and before the expiration of the said year

(*a*) he asserts his Canadian citizenship by a declaration of retention thereof, registered in accordance with the regulations; and

(*b*) if he is a national or citizen of a country other than Canada under the law of which he can, at the time of asserting his Canadian citizenship, divest himself of the nationality or citizenship of that country by making a declaration of alienage or otherwise, he divests himself of such nationality or citizenship:

Proviso.

Provided that in any special case the Minister may extend the time during which any such person may assert his

Canadian citizenship and divest himself of the other nationality or citizenship, in which case upon so doing within the said time he shall thereupon again become a Canadian citizen.

Foundlings.

**6.** Every foundling who is or was first found as a deserted infant in Canada, shall, until the contrary is proved, be deemed to have been born in Canada.

Child born after death of his father.

**7.** Where a child is born after the death of his father, the child shall, for the purposes of this Part, be deemed to have been born immediately before the death of the father.

## PART II.

### Canadian Citizens Other than Natural-Born.

On coming into force of the Act.

**8.** (1) A person other than a natural-born Canadian citizen who has been naturalized under any Act of the Parliament of Canada and who has not become an alien at the time of the coming into force of this Act, or who, immediately prior to the coming into force of this Act, was a British subject who had Canadian domicile, is a Canadian citizen.

When deemed to have become Canadian citizens.

(2) A person who is a Canadian citizen under subsection one of this section shall be deemed, for the purpose of Part III of this Act, to have become a Canadian citizen:

*(a)* where he was granted, or his name was included in, a certificate of naturalization, on the date of the certificate;

*(b)* where he became a British subject in consequence of marriage, on the date of the marriage; and

*(c)* in any other case, on the date he acquired Canadian domicile.

Grant of a certificate of Canadian citizenship.

**9.** (1) The Minister may grant a certificate of Canadian citizenship to any person who is not a Canadian citizen, and who makes application for that purpose and satisfies the Court that:—

*(a)* either he has filed in the office of the Clerk of the Court for the judicial district in which he resides, not less than one nor more than five years prior to the date of his application, a declaration of intention to become a Canadian citizen, the said declaration having been filed by him after he attained the age of eighteen years; or he is the spouse of and resides in Canada with a Canadian citizen; or he is a British subject;

*(b)* he has been lawfully admitted to Canada for permanent residence therein;

*(c)* he has resided continuously in Canada for a period of one year immediately preceding the date of the application and, in addition, except where the applicant is the wife of and resides in Canada with a Canadian citizen, has also resided in Canada for a period of not less than four years during the six years immediately preceding the date of the application;

*(d)* he is of good character;

*(e)* he has an adequate knowledge of either the English or the French language, or, if he has not such an adequate knowledge, he has resided continuously in Canada for more than twenty years;

*(f)* he has an adequate knowledge of the responsibilities and privileges of Canadian citizenship; and that

*(g)* he intends, if his application is granted, either to reside permanently in Canada or to enter or continue in the public service of Canada or of a province thereof.

Special supplementary certificate to minor children.

(2) The Minister may grant a special supplementary certificate of citizenship to a minor child of a person to whom a certificate of citizenship is, or has been, granted under this Act, on the application of the said person,

*(a)* if the said person is the responsible parent of the child, and

*(b)* if the child was born before the date of the certificate granted to the said person and has been lawfully admitted to Canada for permanent residence.

Period in armed forces or public service equivalent to residence.

(3) Any period during which an applicant for a certificate of citizenship has served in the armed forces of Canada or was employed out of Canada in the public service of Canada or of a province thereof, otherwise than as a locally engaged person, shall be treated as equivalent to a period of residence in Canada for the purpose of subsection one of this section.

Period in penitentiary etc., not to be counted as residence.

(4) No period during which an applicant for a certificate of citizenship was confined in or an inmate of any penitentiary, gaol, reformatory, prison, or asylum for the insane, in Canada, shall be counted as a period of residence in Canada for the purpose of subsection one of this section.

Grant of certificate of citizenship in certain cases.

**10.** The Minister may, in his discretion, upon application, grant a certificate of citizenship to

*(a)* a person with respect to whose status as a Canadian citizen a doubt exists and the certificate may specify that the grant thereof is made for the purpose of removing doubts as to whether the person named therein is a Canadian citizen and the granting of the certificate shall not be deemed to establish that the person to whom it is granted was not previously a Canadian citizen;

*(b)* a minor in any special case whether or not the conditions required by this Act have been complied with; or

*(c)* a person who was an alien and who was naturalized under any Naturalization Act in force in Canada before the passing of *The Naturalization Act, 1914*.

1914, c. 44.

Persons granted certificate become Canadian citizens.

**11.** A person to whom a certificate of citizenship is granted under this Part thereupon becomes a Canadian citizen.

Certificate not effective till oath of allegiance taken.

**12.** A certificate of citizenship granted to any person under this Part, other than to a minor under the age of fourteen years, shall not take effect until the applicant has taken the oath of allegiance set forth in the Second Schedule to this Act.

Certificate not to be granted to persons under a disability.

**13.** Except as provided by this Act in the case of minors, a certificate of citizenship shall not be granted to any person under a disability.

Rehearing.

**14.** (1) Before granting a certificate of citizenship to any person whose application has been approved by the court, the Minister may refer the application to the court for another hearing to be known as a rehearing.

Notice.

(2) Where the Minister refers an application for a rehearing, he shall give notice in writing of the rehearing to the applicant at the postal address shown in the application, and the rehearing shall not be proceeded with until the expiration of at least thirty days after the mailing of the said notice.

Production of evidence.

(3) An applicant shall, on a rehearing, produce to the court such evidence as the court may require that he is qualified and fit to be granted a certificate of citizenship and shall also personally appear before the court for examination.

Decision to be final.

(4) The decision of the court on a rehearing shall be final and conclusive.

## PART III.

### Loss of Canadian Citizenship.

On acquisition of other nationality.

**15.** A Canadian citizen who, when outside of Canada and not under a disability, by any voluntary and formal act other than marriage, acquires the nationality or citizenship of a country other than Canada shall thereupon cease to be a Canadian citizen.

By renunciation where dual nationality.

**16.** Where a natural-born Canadian citizen, at his birth or during his minority, or any Canadian citizen on marriage, became or becomes under the law of any other country a national or citizen of that country, if, after attaining the full age of twenty-one years, or after the marriage, he makes, while not under disability, and still such a national or citizen, a declaration renouncing his Canadian citizenship, he shall thereupon cease to be a Canadian citizen.

Child of parent ceasing to be a Canadian citizen.

**17.** (1) Where the responsible parent of a minor child ceases to be a Canadian citizen under section fifteen or section sixteen of this Act, the child shall thereupon cease to be a Canadian citizen if he is or thereupon becomes, under the law of any other country, a national or citizen of that country.

Declaration for resuming Canadian citizenship.

(2) A person who has ceased to be a Canadian citizen under subsection one of this section may, within one year after attaining the age of twenty-one years or in special circumstances with the consent of the Minister within any longer period than one year, make a declaration that he wishes to resume Canadian citizenship and he shall thereupon again become a Canadian citizen.

By residence outside of Canada for six years.

**18.** A Canadian citizen, other than a natural-born Canadian citizen or a Canadian citizen who has served in the Armed Forces of Canada in time of war and been honourably discharged therefrom, ceases to be a Canadian citizen if he resides outside of Canada for a period of at least six years exclusive of any period during which,

*(a)* he is in the public service of Canada or of a province thereof;

*(b)* he is a representative or employee of a firm, business, company or organization, religious or otherwise, established in Canada or of an international agency of an official character in which Canada participates;

*(c)* he resides outside of Canada on account of ill-health or disability;

*(d)* he is the spouse or minor child of, and resides outside of Canada for the purpose of being with a spouse or parent who is a Canadian citizen residing outside of Canada for any of the objects or causes specified in paragraphs *(a)* to *(c)* inclusive of this section;

*(e)* he is the spouse of, and resides outside of Canada for the purpose of being with a spouse who is a natural-born Canadian citizen; or

*(f)* his Canadian citizenship is certified to be extended by endorsement of his certificate of citizenship, or if he has no certificate of citizenship, of his passport, by the officer in charge of a Consulate, which endorsement shall state that the Canadian citizen appeared before the officer prior to the expiration of the said period of six years and established

(i) that his absence from Canada was of a temporary nature, and

(ii) that he intended in good faith to return to Canada for permanent residence as a Canadian citizen,

and shall be in such form and may extend his Canadian citizenship for such period as may be prescribed by regulation.

By revocation of Canadian citizenship.

**19.** (1) The Governor in Council may direct that any person other than a natural-born Canadian citizen shall cease to be a Canadian citizen if, upon a report from the Minister, he is satisfied that the said person either

*(a)* has, during any war in which Canada is or has been engaged, unlawfully traded or communicated with the enemy or with a subject of an enemy state or has been engaged in or associated with any business which is to his knowledge carried on in such manner as to assist the enemy in such war;

*(b)* has obtained a certificate of naturalization or of Canadian citizenship by false representation or fraud or by concealment of material circumstances;

*(c)* has, within five years after becoming a Canadian citizen, been sentenced by any court in Canada to imprisonment for a term of not less than twelve months;

*(d)* has, since becoming a Canadian citizen, been for a period of not less than six years ordinarily resident out of Canada and has not maintained substantial connection with Canada; or

*(e)* has shown himself by act or speech to be disaffected or disloyal to His Majesty.

Notice and reference for inquiry.

(2) The Minister before making a report under this section shall cause notice to be given or sent to the last known address of the person in respect of whom the report is to be made, giving him an opportunity of claiming that the case be referred for such inquiry as is hereinafter specified and if said person so claims in accordance with the notice, the Minister shall refer the case for inquiry accordingly.

Inquiry by Commission.

(3) An inquiry under this section shall be held by a commission constituted for the purpose by the Governor in Council upon the recommendation of the Minister, presided over by a person appointed by the Governor in Council who holds or has held high judicial office, and shall be conducted in such manner as the Governor in Council shall direct; Provided that any such inquiry may, if the Governor in Council thinks fit, instead of being held as aforesaid, be held by the superior court of the province

Proviso.

in which the person concerned resides, and the practice and procedure on any inquiry so held shall be regulated by rules of court.

Powers of Commission.

(4) The members of any commission appointed under this section shall have all such powers, rights and privileges as are vested in any superior court or in any judge thereof on the occasion of any action in respect of

*(a)* enforcing the attendance of witnesses and examining them on oath, affirmation or otherwise, and the issue of a commission or a request to examine witnesses abroad;

*(b)* compelling the production of documents; and

*(c)* punishing persons guilty of contempt;

and a summons signed by one or more members of the Commission may be substituted for and shall be equivalent to any formal process capable of being issued in any action for enforcing the attendance of witnesses and compelling the production of documents.

Cancellation of certificate.

(5) Where the Governor in Council, under this section, directs that any person cease to be a Canadian citizen, the order shall have effect from such time as the Governor in Council may direct and thereupon the said person shall cease to be a Canadian citizen and shall give up and surrender for cancellation any certificate of citizenship or naturalization granted to him and any person omitting to give up the said certificate shall be liable on summary conviction to a fine not exceeding five hundred dollars.

Revocation of certificate granted in other country of the British Commonwealth.

**20.** The Governor in Council may, with the concurrence of a government of a country of the British Commonwealth other than Canada, revoke a certificate of naturalization granted in the said country to a person who resides in Canada and the provisions of section nineteen of this Act shall apply *mutatis mutandis* in respect of the said revocation.

Citizenship of spouse or minor children.

**21.** (1) Where a person ceases to be a Canadian citizen under section eighteen or section nineteen or a British subject under section twenty of this Act, the citizenship or status of the spouse and minor children of the said person shall not be affected thereby except as provided in this section.

When wife or child shall cease to be a Canadian citizen.

(2) Where a person ceases to be a Canadian citizen under section eighteen or section nineteen or a British subject under section twenty, if

*(a)* the wife of the said person became a British subject by reason only of her marriage to the said person; or

*(b)* the said person is the responsible parent of a child,

the Governor in Council may direct that the said wife or the said child shall cease to be a Canadian citizen or a British subject, as the case may be.

Declaration renouncing Canadian citizenship.

(3) The wife of a person who has ceased to be a Canadian citizen under section eighteen or section nineteen or a British subject under section twenty of this Act, may within six months thereafter make a declaration renouncing her Canadian citizenship or her status as a British subject and thereupon any minor children of her husband and herself shall cease to be Canadian citizens or British subjects as the case may be.

**22.** Where a person ceases to be a Canadian citizen as provided in section fifteen, section sixteen or section seventeen of this Act, if he is at such time or thereupon becomes a national or citizen of a country other than a country of the British Commonwealth, he thereupon ceases to be a British subject.

**23.** Where a person ceases to be a Canadian citizen as provided in section eighteen, section nineteen or section twenty-one, or ceases to be a British subject as provided in section twenty or section twenty-one of this Act, he shall be regarded as having the nationality or citizenship which he had before he became a Canadian citizen or a British subject, as the case may be.

Saving of obligations incurred before loss of citizenship.

**24.** Where a person ceases to be a Canadian citizen or a British subject, he shall not thereby be discharged from any obligation, duty or liability in respect of any act or thing done or omitted before he ceased to be a Canadian citizen or a British subject.

## PART IV.

### Status of Canadian Citizens and Recognition of British Subjects

Canadian citizen a British subject.

**25.** A Canadian citizen is a British subject.

Rights and obligations.

**26.** A Canadian citizen other than a natural-born Canadian citizen shall, subject to the provisions of this Act, be entitled to all rights, powers and privileges and be subject to all obligations, duties and liabilities to which a natural-born Canadian citizen is entitled or subject and, on and after becoming a Canadian citizen, shall, subject to the provisions of this Act, have a like status to that of a natural-born Canadian citizen.

British subjects under the laws of other countries of the British commonwealth.

**27.** A person, who has acquired the status of British subject by birth or naturalization under the laws of any country of the British Commonwealth other than Canada to which he was subject at the time of his birth or naturalization, shall be recognized in Canada as a British subject.

## PART V.

### Status of Aliens.

Rights of aliens.

**28.** (1) Real and personal property of every description may be taken, acquired, held and disposed of by an alien in the same manner in all respects as by a natural-born Canadian citizen; and a title to real and personal property of every description may be derived through, from or in succession to an alien in the same manner in all respects as through, from or in succession to a natural-born Canadian citizen.

Disabilities.

(2) This section shall not operate so as to

*(a)* qualify an alien for any office or for any municipal, parliamentary or other franchise;

*(b)* qualify an alien to be the owner of a Canadian ship;

*(c)* entitle an alien to any right or privilege as a Canadian citizen except such rights and privileges in respect of property as are hereby expressly given to him; or

*(d)* affect an estate or interest in real or personal property to which any person has or may become entitled, either mediately or immediately, in possession or expectancy, in pursuance of any disposition made before the fourth day of July, one thousand eight hundred and eighty-three, or in pursuance of any devolution by law on the death of any person dying before that day.

Trial of alien.

**29.** An alien shall be triable at law in the same manner as if he were a natural-born Canadian citizen.

## PART VI.

### Certificate of Citizenship.

### Procedure and Evidence.

Application, where made.

**30.** An application for a certificate of citizenship shall be made to the Court in the judicial district in which the applicant resides or as otherwise prescribed by regulation.

To be filed with the clerk of the Court.

Posting.

**31.** An application for a certificate of citizenship shall be filed with the Clerk of the Court and shall be posted by the Clerk in a conspicuous place in his office, or as otherwise prescribed by regulation, continuously for a period of at least three months before the application is heard by the Court.

Filing of opposition.

**32.** At any time after the filing of an application for a certificate of citizenship and previous to the hearing of the application, any person objecting to the granting of

the certificate to the applicant may file in the Court an opposition in which shall be stated the grounds of his objection.

Production of evidence.

**33.** The applicant for a certificate of citizenship shall produce to the Court such evidence as the Court may require that he is qualified and fit to be granted a certificate under the provisions of this Act, and shall personally appear before the Court for examination unless it is established to the satisfaction of the Court that he is prevented from so appearing by some good and sufficient cause.

Applicant to appear personally.

Copy of favourable decision transmitted to the Minister.

**34.** If the Court decides that the applicant for a certificate of citizenship is a fit and proper person to be granted such certificate and possesses the required qualifications, a certified copy of the decision shall be transmitted by the Clerk of the Court to the Minister together with the application and such other papers, documents and reports as may be required by regulation.

Issuance and delivery of certificate.

Oath of allegiance.

Date of certificate.

**35.** When the Minister receives a decision of the Court under section thirty-three of this Act, he may thereupon issue a certificate of citizenship and shall send the certificate to the Clerk of the Court by whom such decision was forwarded, or as otherwise prescribed by regulation, and upon the applicant taking the oath of allegiance, the Clerk shall deliver the certificate to the applicant after having endorsed thereon the date of the taking of the oath of allegiance which date shall be the date of the certificate of citizenship.

Instruction in the responsibilities and privileges of Canadian citizenship.

**36.** The Minister, with the approval of the Governor in Council, shall take such measures as to him may appear fitting to provide facilities to enable applicants for certificates of citizenship to receive instruction in the responsibilities and privileges of Canadian citizenship.

Proceedings in Court.

**37.** The Court, in the conduct of proceedings under this Act, shall, by appropriate ceremonies, impress upon applicants the responsibilities and privileges of Canadian citizenship.

## PART VII.

### General.

Regulations.

**38.** The Governor in Council may make regulations generally for carrying into effect the purposes and provisions of this Act, and in particular with respect to the following matters:—

(*a*) the forms to be used under this Act including the form and manner of registration of declarations and of certificates;

(*b*) the time within which the oath of allegiance is to be taken after the issue of a certificate of citizenship;

(*c*) the persons before whom the oath of allegiance may be taken and the persons before whom any declarations under this Act may be made;

(*d*) the form in which the taking of oaths of allegiance is to be attested and the registration thereof;

(*e*) the persons by whom certified copies of oaths of allegiance may be given; and the proof in any legal proceeding of any such oaths;

(*f*) the imposition and application of fees in respect of any registration authorized to be made by this Act or any Act heretofore in force in Canada and in respect of the making of any declaration or the grant of any certificate authorized to be made or granted by this Act or any Act heretofore in force in Canada, and in respect of the administration or registration of any oath;

(*g*) the expedient and fitting procedure to be followed in the conduct of proceedings before the Court to impress upon applicants the responsibilities and privileges of Canadian citizenship;

(*h*) the manner of proof of any qualification required for the grant of a certificate of citizenship under this Act; and

(*i*) the manner of proof of Canadian citizenship and the granting of special certificates for such purpose.

Evidence of declarations.

**39.** Any declaration made under this Act or under any Act heretofore in force may be proved in any legal proceeding by the production of the original declaration or of any copy thereof certified to be a true copy by the Minister or by any person authorized by him in that behalf, and the production of the declaration or copy shall be evidence of the person therein named as declarant having made the declaration at the date therein mentioned.

Evidence of certificate.

**40.** A certificate of citizenship or a certificate of naturalization may be proved in any legal proceeding by the production of the original certificate or of any copy thereof certified to be a true copy by the officer or persons authorized to issue such certificate of citizenship or such certificate of naturalization or by any person authorized by such officer or person in that behalf.

Evidence of entries and certification of copies.

**41.** Entries made in any register in pursuance of this Act or under any Act heretofore in force may be proved by such copies and certified in such manner as may be directed by the Minister, and the copies of any such entries shall be evidence of any matters, by this Act or by any

regulation of the Governor in Council or of the Minister, authorized to be inserted in the register.

Question of domicile, how determined.

R.S., c. 93.

**42.** Where any question arises under this Act as to whether any person had Canadian domicile immediately prior to the coming into force of this Act, the question shall be determined by the same authority and in a like manner as if it arose under the *Immigration Act* and the determination thereof in such manner shall be final and conclusive for the purposes of this Act.

Penalty for false representation or statement.

**43.** If any person for any of the purposes of this Act knowingly makes any false representation or any statement false in a material particular, he shall be guilty of an offence and liable on summary conviction in respect of each offence to imprisonment with or without hard labour for any term not exceeding three months.

Acts repealed.

**44.** The *Naturalization Act*, chapter one hundred and thirty-eight of the Revised Statutes of Canada, 1927, and the *Canadian Nationals Act*, chapter twenty-one of the Revised Statutes of Canada, 1927, are repealed.

Saving.

**45.** Notwithstanding the repeal of the *Naturalization Act* and the *Canadian Nationals Act*, this Act is not to be construed or interpreted as depriving any person who is a Canadian national, a British subject or an alien as defined in the said Acts or in any other law in force in Canada of the national status he possesses at the time of the coming into force of this Act.

Construction as to facilities for becoming Canadian citizen.

(2) This Act is to be construed and interpreted as affording facilities for any person mentioned in the last preceding subsection if he should so desire to become a Canadian citizen if he is not a natural-born Canadian citizen as defined in this Act, and if he possesses the qualifications for Canadian citizenship as defined in this Act.

Coming into force.

**46.** This Act shall come into force upon a date to be fixed by proclamation of the Governor in Council.

# SCHEDULES

## First Schedule

*List of countries in the British Commonwealth.*

The United Kingdom.
Canada.
The Commonwealth of Australia (including for the purposes of this Act the territory of Papua and Norfolk Island).
The Dominion of New Zealand.
The Union of South Africa.
Ireland.
Newfoundland.

## Second Schedule.

*Oath of Allegiance.*

I, A.B., swear that I will be faithful and bear true allegiance to His Majesty King George the Sixth, his Heirs and Successors, according to law, and that I will faithfully observe the laws of Canada and fulfil my duties as a Canadian citizen.

So help me God.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 21.

An Act to amend The Trans-Canada Air Lines Act, 1937.

First reading, October 23, 1945.

THE MINISTER OF MUNITIONS AND SUPPLY.

THE MINISTER OF RECONSTRUCTION.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

42522

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 21.

An Act to Amend the Trans-Canada Air Lines Act, 1937.

1937, c. 43; 1938, c. 15; 1940, c. 17; 1940-41, c. 9.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Subsection one of section seven of *The Trans-Canada Air Lines Act, 1937*, chapter forty-three of the statutes of 1937, is repealed and the following substituted therefor:—

Capital shares.

"**7.** (1) The authorized capital of the Corporation shall be twenty-five million dollars divided into shares of one hundred dollars each, represented by share certificates."

**2.** Subsection one of section twelve of the said Act is repealed and the following substituted therefor:

Power to issue securities.

"**12.** (1) Subject to the provisions of this Act, the Canadian National Railway Company may issue notes, obligations, bonds and other securities (hereinafter in this section called "securities") not exceeding the sum of twenty-five million dollars for the purpose of acquiring the capital stock of the Corporation, and the Governor in Council may authorize the guarantee of the principal and interest of such securities on behalf of His Majesty."

G. in C. may guarantee securities.

**3.** Section fourteen of the said Act is amended by adding thereto the following paragraphs:

Authorization to deal with shares of companies incorporated under section 20.

"*(e)* to purchase, hold and, subject to the provisions of this Act, sell and dispose of shares in any company incorporated under section twenty of this Act or in any company or corporation incorporated for the operation and maintenance of air lines or services of aircraft of any kind.

Authorization to make loans to companies incorporated under section 20.

*(f)* to lend money to any corporation incorporated under section twenty of this Act on such security as the Minister may determine."

EXPLANATORY NOTES.

**1.** The only change in subsection (1) of section 7 is the increase of authorized capital from five million dollars to twenty-five million dollars.

**2.** The only change in subsection (1) of section twelve is the power to issue securities to the amount of twenty-five million dollars instead of to five million dollars as presently provided.

**3.** The added paragraphs to section 14 are for the purpose of extending the powers of the Corporation to the extent indicated with respect to companies incorporated under the new section 20.

Limitation of power to sell or dispose of shares of companies incorporated under section 20.

**4.** Section fourteen of the said Act is further amended by adding thereto the following subsection:—

"(2) The Corporation shall not sell or dispose of more than forty-nine per centum of the outstanding shares of any company incorporated under section twenty of this Act except with the approval of Parliament."

Repeal.

**5.** Section fourteen A of the said Act, as enacted by section one of chapter fifteen of the statutes of 1938, is repealed.

Contract provisions.

**6.** The first line of subsection two of section fifteen of the said Act is repealed and the following substituted therefor:—

"(2) The Trans-Canada contract shall contain such terms as the Governor in Council may order, and in the absence of such order shall provide,—"

Power to amend contract.

**7.** Section fifteen of the said Act, as amended by section two of chapter fifteen of the statutes of 1938, and by the last preceding section of this Act, is further amended by adding thereto the following subsection:—

"(4) The Governor in Council may from time to time authorize the Minister to enter into a contract amending the Trans-Canada contract and containing such terms as the Governor in Council may order."

Mail transport contract terms.

**8.** Subsection two of section sixteen of the said Act is repealed and the following substituted therefor:—

"(2) A contract made under subsection one of this section shall contain such terms as the Governor in Council may order."

Power to amend mail contract.

**9.** Section sixteen of the said Act is further amended by adding thereto the following subsection:—

"(4) The Governor in Council may from time to time authorize the Postmaster General to enter into a contract amending a contract made under subsection one of this section and containing such terms as the Governor in Council may order."

**4.** The added subsection to section 14 puts a limitation on the power of the Corporation to sell or otherwise dispose of shares of companies incorporated under the new section 20.

**5.** The repealed section reads:—

"**14A.** The Corporation may, with the approval of the Governor in Council, purchase or otherwise acquire, hold, pledge and dispose of shares in the capital stock of a company to be incorporated under the laws of England upon application by the following companies, acting in co-operation, namely, Imperial Airways Limited or such other company as may be nominated by the Government of the United Kingdom, Aer-Rianta, Teoranta, or such other company as may be nominated by the Government of Eire, and the Corporation, for the purposes, *inter alia*, of establishing and carrying on the business of an aerial transport company operating a trans-Atlantic air transport service between Europe and North America."

**6.** The repealed first line of the subsection reads:—

"The Trans-Canada contract shall provide,—"

**7.** This added subsection gives the Minister power, when authorized by the Governor in Council, to amend the Trans-Canada contract.

**8.** The repealed subsection reads:

**16.** "(2) Such contract shall provide for the transport of mails at a rate or rates to be fixed, in respect of the initial period of operation, by the terms of the contract, and thereafter, as hereinafter provided by this Act."

**9.** The added subsection (4) is new.

**10.** The said Act is further amended by adding thereto the following sections:—

G. in C. may create corporations.

"**20.** The Governor in Council may on the petition of the Corporation declare that any number of persons named in the petition, not exceeding seven in number, shall be a body corporate and upon such declaration being made the said persons shall be a body corporate and politic.

Name corporations and fix capital and par value of shares.

"**21.** Whenever the Governor in Council declares any persons to be a body corporate under section twenty of this Act he shall at the same time name the corporation and fix its authorized capital and the par value of the shares.

Provisional directors.

"**22.** The persons named in any declaration under section twenty of this Act shall be the provisional directors of the corporation.

Head office.

"**23.** The head office of the corporation shall be at such city as the directors may select.

Shares to be offered to Trans-Canada Air Lines at par.

"**24.** The shares of any company incorporated under section twenty of this Act shall be offered for subscription to Trans-Canada Air Lines at par.

Contract with corporation for air services.

"**25.** (1) The Governor in Council may authorize the Minister to enter into a contract with any corporation incorporated under section twenty of this Act, for the organization, operation and maintenance of air services designated from time to time by the Governor in Council.

Terms of contract.

Subsidy.

(2) A contract entered into under subsection one of this section shall contain such terms as the Governor in Council may order, including terms for payment of a subsidy to the corporation, which subsidy shall be payable out of moneys to be appropriated by Parliament for that purpose.

Amending contracts.

(3) The Governor in Council may from time to time authorize the Minister to enter into a contract amending a contract made under subsection one of this section and containing such terms as the Governor in Council may order.

Contract for transport of mails.

"**26.** (1) The Governor in Council may authorize the Postmaster General to enter into a contract with any corporation incorporated under section twenty of this Act for the transport of mails.

Amending mail contracts.

(2) The Governor in Council may from time to time authorize the Postmaster General to enter into a contract amending a contract made under subsection one of this section and containing such terms as the Governor in Council may order.

Application of provisions of Act, with certain exceptions to corporations created under section twenty.

"**27.** All the provisions of this Act relating to Trans-Canada Air Lines, except sections three, four, five, seven, twelve, fifteen and sixteen shall *mutatis mutandis* apply to every corporation incorporated under section twenty of this Act."

Repeal of section 17 by proclamation.

**11.** The Governor in Council may by proclamation repeal section seventeen of the said Act.

**10.** Sections 20 to 27 are new and relate to the creation of corporations controlled by Trans-Canada Air Lines to operate and maintain air services designated by the Governor in Council under contract with Trans-Canada Air Lines.

**11.** Section 17 of the Act, the repeal of which is provided for by proclamation, reads:—

"**17.** (1) In the month of January in the year nineteen hundred and forty and in every year thereafter while the Trans-Canada contract is in force, the Governor in Council on the joint recommendation of the Minister and the Postmaster General, shall, as hereinafter provided, fix the rate or rates for the current year.

(2) If in the preceding year the Corporation incurred a deficit, the rate or rates for the current year shall be fixed so as to produce an increase in the sum total to be paid on account of the said rates equal to the deficit in the preceding year.

(3) If in the preceding year the Corporation earned a surplus, the rate or rates for the current year shall be fixed so as to produce a decrease in the sum total to be paid on account of the said rates equal to one-half the amount of the surplus earned in the preceding year: Provided, however, that the rates so fixed shall not be lower than rates payable for other similar coast to coast transport of mails in North America.

(4) The rate or rates so fixed shall apply as from the first day of the current year.

(5) In fixing the rates as hereinbefore provided, it shall be assumed that the Corporation's gross revenue and operating expenses for the current year will be the same as in the preceding year, except in so far as the gross revenue will be increased or decreased by any change in rates."

22.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 22.

An Act to amend the Judges Act.

First reading, October 24, 1945.

MR. CHURCH.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

46512

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 22.

An Act to amend the Judges Act.

R.S., c. 105; 1930, c. 27; 1931, c. 37; 1932, cc. 16, 48; 1936, c. 39; 1944-45, cc. 10, 45.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section thirty-seven of the *Judges Act*, chapter one hundred and five of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

Judges not to act as Commissioners or arbitrators.

"**37.** (1) No judge mentioned in this Act shall act as commissioner or arbitrator on any commission or inquiry.

Exceptions.

(2) This section shall not extend nor be deemed to have extended, to judges acting as arbitrators or assessors of compensation or damages under the *Railway Act*, or any public Act, whether of general or local application, of the Dominion or of any province, whereby a judge is required or authorized to assess or ascertain compensation or damages."

R.S., c. 170.

**2.** The said Act is further amended by adding thereto the following section.—

Judges to be bound by decision of court of final appeal.

"**39.** Notwithstanding the provisions of any law, statute, usage, custom, or doctrine of law to the contrary and in so far as it is within the jurisdiction of Parliament to enact, all courts or a judge of any of the courts referred to in this Act, whether such court was constituted or such judge appointed prior to or after the date of the coming into force of this section, shall, when rendering decisions or pronouncing judgment in respect to any question of law competent for such court or judge to decide or pronounce upon, take judicial notice of and be bound by the then last decision or judgment of the Judicial Committee of the Privy Council or other court of final appeal rendered by such court upon or in respect to the application of the same question of law."

EXPLANATORY NOTES.

**1.** The purpose of this clause is to provide that judges be not allowed to serve on commissions outside their judicial duties. At present the judges may act as commissioners or arbitrators or on any commission or inquiry if nominated for that purpose by the Governor in Council. It is estimated that the administration of justice should not be interfered with by appointing to commissions judges whose services are required in the courts.

The only change in the section is made by leaving out certain words which are underlined below.

Section 37 at present reads as follows:—

"37. Unless nominated by the Governor in Council, no judge mentioned in this Act shall act as commissioner or arbitrator on any commission or inquiry.

2. This section shall not extend, nor be deemed to have extended, to judges acting as arbitrators or assessors of compensation or damages under the Railway Act, or any public Act, whether of general or local application, of the Dominion or any province, whereby a judge is required or authorized, without authority from the executive, to assess or ascertain compensation or damages."

The frequency, of recent years, with which judges are drafted for all kinds of such work impairs the efficient administration of justice and causes congestion in the law courts, and, as they are largely only fact finding commissions when appointed, they duplicate, the efficient powers and functions of Parliament, of the Committees thereof, and of the many outside Boards of recent innovation in war work, and furthermore they are a costly adjunct to good Parliamentary Government of the people, by the people and for the people, cause delays and interfere with Parliament's right to immediate solution of social and economic problems of urgency to good government, thus a system of "judicial commission government" is slowly being built up in Canada.

**2.** (1) R.S.C. 1927, chap. 105, is known as "an Act respecting the Judges of the Dominion and Provincial Courts" which includes County Courts. Judges must have been 10 years standing at the Bar when appointed. The Act constitutes or sets up:

(1) The Supreme Court of Canada.
(2) The Exchequer Court.
(3) Local Judges in the Admiralty.
(4) Provincial Superior Courts (organization for provinces).

(2) All judges appointed under this Act, chap. 105, are federal officers. They are also under federal authority, and are paid by the Dominion, and under the authority of Parliament whose authority has been increased by the statute commonly known as the Statute of Westminster and can be removed for cause by an address of both Houses of Parliament.

(3) Under chap. 105 "restrictions and regulations" are placed on Federal Judges regarding residence, travelling allowances, powers, eligibility, retirement, superannuation, removal for cause, and many other regulations. They are sworn to administer the law as they find it, although once appointed they have provincial jurisdiction as well as federal under Section 92 of the British North America Act.

(4) They are subject to all the federal statutes, they are required to interpret all acts passed by the high court of Parliament known as the Parliament and Government of Canada. Some are found not doing this in several cases at present.

(5) Commissioners of Assizes, County Court Judges may act in another county, and the Governor in Council in certain cases can make orders within this Act *re* judicial employment as set out in Section 36, but they are not to act on Commissions, except by Order-in-Council.

(6) It will be seen that while judges when interpreting Section 92 are: provincial officers when appointed, still they are federal officers purely and simply and subject to any enactment of this Parliament and any enactment of the Parliament of Canada, and sworn to enforce it, and the Criminal Code gives them Jurisdiction in Criminal Cases, and Marriage and Divorce are federal except solemnization of marriage.

(7) This proposed Bill adds another clause to the Act namely 39, by which Judges are to be bound by the decision of the Court of Final Appeal, in respect to any question of law competent for such judges to decide, and shall take notice and be bound by the then last decision or judgment of the judicial committee of the provincial, or other Court of Final Appeal rendered by such Court upon or with respect to such application of law.
This amendment is to apply to all the provinces of Canada. Federal authority should be paramount and supreme. One of the cardinal principles of the British constitution is that the Courts are subservient to the Legislature.

(8) The legal maxim or doctrine known as "*stare decisis*" is adopted in this amendment and this bill will be law for all Canada, notwithstanding the provisions of any law, statute, usage, custom, or doctrine of law to the contrary.

(9) Decided cases which lay down a rule of law are authoritive and must be followed. Decisions of the Judicial Committee of the Privy Council should be binding on all Canadian courts.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 23.

An Act to incorporate the Central Mortgage and Housing Corporation.

First reading, October 25, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

46710

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 23.

An Act to incorporate the Central Mortgage and Housing Corporation.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:

## Short Title.

Short title.

**1.** This Act may be cited as *The Central Mortgage and Housing Corporation Act.*

## Interpretation.

Definitions.

**2.** In this Act unless the context otherwise requires:

"Board of Directors." "Board."

*(a)* "Board of Directors" or "Board" means the Board of Directors of the Corporation;

"Corporation."

*(b)* "Corporation" means the Central Mortgage and Housing Corporation;

"director."

*(c)* "director" means any member of the Board of Directors;

"Executive Committee."

*(d)* "Executive Committee" means the Executive Committee of the Board;

"Housing Acts." 1944-45, c. 46. 1938, c. 49. 1937, c. 11. 1935, c. 58.

*(e)* "Housing Acts" means *The National Housing Act, 1944, The National Housing Act, 1938, The Home Improvement Loans Guarantee Act, 1937,* and *The Dominion Housing Act, 1935;*

"lending company."

*(f)* "lending institution" means a loan, insurance, trust or other company or corporation, trustee of trust funds, building society, credit union or other co-operative credit society authorized to lend money on the security of real or immovable property;

"Minister".

*(g)* "Minister" means the Minister of Finance;

"mortgage."

*(h)* "mortgage" includes a hypothec and an agreement for sale;

## Explantory Note.

The purpose of this Bill is to establish a corporation under the name of the Central Mortgage and Housing Corporation which will have three main functions:—

*(a)* to act in the place of the Minister of Finance in the operation of *The National Housing Act, 1944, The National Housing Act, 1938, The Home Improvement Loans Guarantee Act, 1937 and The Dominion Housing Act, 1935;*

*(b)* to provide discounting facilities for lending institutions; and

*(c)* to conduct research into the business of lending money on the security of mortgages and to enter into agreements with lending institutions for the exchange of information relating thereto.

The Corporation is created the agent of His Majesty in right of Canada and will have a paid-up capital of twenty-five million dollars paid to it by the Minister of Finance out of unappropriated moneys in The Consolidated Revenue Fund.

For its housing functions the Minister of Finance is authorized to make available to the Corporation by way of advance or reimbursement the moneys appropriated by the Acts above mentioned. For its discounting business the Corporation is limited to its paid-up capital of twenty-five million dollars and a reserve fund not exceeding five million dollars.

"President." (i) "President" means the President of the Corporation; and

"Vice-President." (j) "Vice-President" means the Vice-President of the Corporation.

## PART I

### Constitution of Corporation.

Corporation established

**3.** There is hereby established a Corporation called the "Central Mortgage and Housing Corporation" consisting of the Minister and those persons who from time to time comprise the Board of Directors.

Head office.

**4.** The head office of the Corporation shall be in the City of Ottawa.

Agent of Crown.

**5.** (1) Except as provided in section fourteen of this Act, the Corporation is for all purposes an agent of His Majesty in right of Canada and its powers under this Act may be exercised by it only as an agent of His Majesty.

Contracts on behalf of His Majesty.

(2) The Corporation may, on behalf of His Majesty, enter into contracts in the name of His Majesty or in the name of the Corporation.

Property of His Majesty.

(3) Property acquired by the Corporation is the property of His Majesty and title thereto may be vested in the name of His Majesty or in the name of the Corporation.

Suits in name of Corporation.

(4) Where the Corporation has acquired or incurred a right or obligation in the name of the Corporation, it may sue or be sued in respect thereof in the name of the Corporation.

Board of Directors. Constitution.

**6.** (1) The Board of Directors shall consist of a President and Vice-President appointed in accordance with this Act, the persons who, respectively, from time to time hold or are acting in the offices of the Governor of the Bank of Canada, the Deputy Minister of Finance and the Deputy Minister of Reconstruction and five other directors appointed in accordance with this Act.

Deputy Governor of Bank acting for Governor.

(2) During incapacity or absence for any reason of the Governor of the Bank of Canada, the Deputy Governor of the Bank of Canada may act on behalf of the Governor under this Act and while so acting shall be deemed to be a director.

Substitute director for deputy head.

(3) Where a director is the deputy head of a government department, the Minister of the said department may authorize a person to act as director in his stead and the person while so acting shall be deemed to be a director.

First appointment and initial salaries of President and Vice-President.

**7.** (1) The Governor in Council shall make the first appointments to the offices of President and Vice-President and in the first instance fix their salaries and thereafter the

Board with the approval of the Governor in Council shall appoint and fix the salaries of the President and Vice-President.

Term of office.

(2) The President and Vice-President shall hold office during good behaviour for a term of seven years but are removable by the Governor in Council, on a resolution of the Board, for permanent incapacity or for other cause.

Reappointment.

(3) The President and the Vice-President on the expiration of their term of office may, if eligible, be reappointed.

Directors appointment.

**8.** (1) The Minister, with the approval of the Governor in Council, shall appoint five directors to hold office during the following terms:

Term of office.

*(a)* one director to hold office until the first day of April, 1949;

*(b)* two directors to hold office until the first day of April, 1950;

*(c)* two directors to hold office until the first day of April, 1951;

and shall, with the approval of the Governor in Council, on the expiration of the terms of office of the directors so appointed, and at intervals of three years thereafter, appoint a corresponding number of directors to hold office for a term of three years.

Removal from office.

(2) If in the opinion of the Board a director appointed under this section becomes permanently incapacitated he may be removed from office by resolution of the Board approved by the Governor in Council.

Vacancy.

(3) Where the office of a director becomes vacant during the term of the director appointed thereto, the Minister shall, with the approval of the Governor in Council, appoint a director for the remainder of the said term.

Reappointments.

(4) A director on the expiration of his term of office may, if eligible, be reappointed.

Fees.

(5) The directors appointed under this section are entitled to receive for attendance at directors' meetings and Executive Committee meetings, such fee as may be fixed by the by-laws of the Corporation, but the aggregate amount of the fees paid to all directors, exclusive of expenses, shall not in any year exceed ten thousand dollars.

Persons ineligible to hold office.

**9.** (1) No person shall be appointed as President or Vice-President or, under section eight of this Act, as a director, and no person shall continue to hold any such office who:

*(a)* is a director, officer or employee of a lending institution;

*(b)* is not a British subject, ordinarily resident in Canada;

*(c)* is employed in any capacity in the public service of Canada or of any province of Canada or holds any office or position for which any salary is payable out of public moneys but nothing contained in this para-

graph shall prohibit the said persons from performing temporary services for the Government of Canada or of any province; or

*(d)* has reached the age of seventy years.

Shareholder in lending institution.

(2) A person appointed as President or Vice-President or, under section eight of this Act, as a director, who is a shareholder of a lending institution shall divest himself of ownership of his shares of the lending institution within three months after the date of his appointment and shall not thereafter during his term of office have an interest either directly or indirectly as a shareholder in a lending institution.

Executive Committee.

**10.** There shall be an Executive Committee of the Board consisting of the President, the Vice-President, the Deputy Minister of Finance or any person acting as director in his stead, and one other director selected by the Board.

## Conduct of Business of Corporation.

Board to manage affairs of Corporation.

**11.** (1) The Board shall manage the affairs of the Corporation and conduct its business and may for such purposes exercise all powers of the Corporation.

Votes.

(2) Each director has one vote in the transaction of the business of the Board and if the number of votes are equal the President has an additional vote.

By-laws.

(3) The Board, with the approval of the Governor in Council, may make by-laws not inconsistent with the provisions of this Act with respect to:

*(a)* the calling of meetings of the Board and of the Executive Committee and the number of persons which shall constitute a quorum in each case and the manner in which questions considered at such meetings shall be determined;

*(b)* the fees of directors;

*(c)* the conduct of the affairs of the Corporation.

By-laws require approval of G. in C.

(4) No by-law is effective until approved by the Governor in Council and upon becoming effective shall be published in the *Canada Gazette*.

Executive Committee powers.

**12.** The Executive Committee may exercise the powers of the Board and shall submit at each meeting of the Board minutes of its proceedings since the last preceding meeting of the Board.

President.

**13.** (1) The President is the chairman of the Board of Directors and the Chief Executive Officer of the Corporation and has on behalf of the Board the direction and control of the business of the Corporation with authority to act

in the conduct of the business of the Corporation in all matters which are not by this Act or by the by-laws, specifically reserved to be done by the Board or by the Executive Committee.

Vice-President.

(2) During incapacity or absence for any reason of the President, the Vice-President may exercise and perform all the powers and functions of the President.

Incapacity or absence of President and Vice-President.

(3) During incapacity or absence for any reason of both the President and Vice-President, the Board shall authorize a director or an officer of the Corporation to act as the President for the time being, but no person so authorized by the directors has authority to act as President for a period exceeding one month without the approval of the Governor in Council.

Officers. Employees.

**14.** (1) The Corporation may on its own behalf employ such officers and employees for such purposes and on such terms and conditions as may be determined by the Executive Committee and such officers and employees are not officers or servants of His Majesty.

Oath of office.

(2) Each officer or employee employed by the Corporation shall before entering upon his duties, take, before a Justice of the Peace or a Commissioner for Oaths, an Oath of Fidelity and Secrecy in the form prescribed in the Schedule to this Act.

Pension fund.

(3) The Board may establish a pension fund for the officers and employees of the Corporation and their dependents and may contribute to it out of the funds of the Corporation and the pension fund shall be invested in securities in which a trust company may invest under the *Trust Companies Act*.

R.S., c. 29.

Branches and agents.

**15.** The Corporation may establish branches or employ agents in any part of Canada.

President's authority over officers and agents.

**16.** The President may authorize any officer, agent or employee of the Corporation to act in the conduct of the business of the Corporation in all matters which are not by this Act or by the by-laws of the Corporation specifically reserved to be done by the Board or by the Executive Committee.

## Capital.

Capital payable out of C.R.F.

**17.** The Minister, at the request of the Corporation and with the approval of the Governor in Council, may, from time to time out of unappropriated moneys in the Consolidated Revenue Fund, pay to the Corporation an amount or amounts not exceeding a total amount of twenty-five million dollars which shall constitute the capital of the Corporation.

## PART II.

### Business and Powers of the Corporation.

Transfer of authority from Housing Acts.

**18.** The Corporation shall, on behalf of His Majesty and in the place of the Minister, have, exercise and perform all rights, powers, duties, liabilities and functions of the Minister under the Housing Acts or under any contract entered into under the said Acts, except the authority of the Minister under the said Acts to pay moneys out of the Consolidated Revenue Fund, or under section twelve of *The National Housing Act, 1944*, to make grants for slum clearance.

Housing Acts functions vested in Corporation.

**19.** Wherever in any contract, agreement, guarantee or mortgage made or entered into under the Housing Acts prior to the commencement of this Part, it is provided that any right, power, duty, liability or function is vested in or to be exercised or performed by the Minister or by any officer of the Department of Finance or by any person acting on behalf of the Minister, the said right, power, duty, liability or function shall be vested in and exercised or performed by the Corporation.

Moneys due under Housing Acts payable to Receiver General.

**20.** The Corporation shall, immediately after the commencement of this Part, pay to the Receiver General out of its capital an amount equal to the total of the moneys due or accruing due to His Majesty immediately before the commencement of this Part under or pursuant to the Housing Acts.

Corporation responsible to make loans and payments instead of Minister.

**21.** The Corporation may, in the place of the Minister, make, out of moneys received by it under this Act or otherwise made available to it by Partliament, all loans or payments which His Majesty or the Minister may make or is liable to make under or pursuant to the Housing Acts, except grants for slum clearance under section twelve of *The National Housing Act, 1944*.

Moneys owing the Crown to be paid to Corporation.

**22.** (1) All moneys owing to His Majesty under or pursuant to the Housing Acts shall be paid to the Corporation and payment thereof to the Corporation is payment to His Majesty.

Moneys paid into C.R.F. to be paid to Corporation.

(2) Where any moneys owing to His Majesty under or pursuant to the Housing Acts are, after the commencement of this Part, paid to the Receiver General or to any other person on behalf of His Majesty or are in any way paid into the Consolidated Revenue Fund, the said moneys shall be paid to the Corporation.

Advances to the Corporation.

**23.** (1) The Minister may, at the request of the Corporation and with the approval of the Governor in Council, on such terms and conditions as he may determine, from time to time advance to the Corporation:

*(a)* out of unappropriated moneys in the Consolidated Revenue Fund, amounts not exceeding the total of the moneys due or accruing due to His Majesty immediately before the commencement of this Part under the Housing Acts and which remain unpaid; and

*(b)* out of moneys appropriated under *The National Housing Act, 1944*, with which the Minister was authorized before the commencement of this Part to make loans on behalf of His Majesty or out of moneys otherwise appropriated by Parliament to be lent by the Minister to the Corporation for the said purpose, amounts not exceeding at any time the total of moneys payable to His Majesty in respect of loans made on behalf of His Majesty under *The National Housing Act, 1944*, after the commencement of this Part.

Evidence of advances.

(2) Advances made by the Minister to the Corporation under this section may be evidenced by debentures or other evidences of indebtedness furnished by the Corporation to the Minister, as the Minister may require.

Corporation liable to repay advances.

**24.** The Corporation shall be liable to repay advances made to it by the Minister under section twenty-three of this Act out of moneys received by it under this Act in such manner that the total amount of the said advances owing by it shall not, at any time, exceed the total amount payable to the Corporation under or pursuant to section twenty-two of this Act.

Reimbursement for losses, payments and expenditures.

**25.** The Minister shall reimburse the Corporation:

*(a)* for losses sustained by it in respect of His Majesty's share of loans made under the Housing Acts other than *The National Housing Act, 1944*, out of unappropriated moneys in the Consolidated Revenue Fund;

*(b)* for losses sustained by it in respect of His Majesty's share of loans made by His Majesty jointly with any other person, or in respect of loans made by His Majesty alone, under *The National Housing Act, 1944*, whether made before or after the commencement of this Part, out of moneys appropriated under the said Act for the making of the said loans by the Minister;

*(c)* for payments made by it to discharge liabilities of His Majesty under any contract, agreement or guarantee made or entered into under the Housing Acts,

whether made or entered into before or after the commencement of this Part, out of moneys appropriated for the payment by the Minister of such liabilities under *The Home Improvement Loans Guarantee Act, 1937*, and *The National Housing Act, 1944*, as the case may be;

1937, c. 11.
1938, c. 49.

*(d)* for payments made by it to a bank or an approved instalment credit agency under Part IV of *The National Housing Act, 1944*, out of moneys appropriated for such payments by the Minister under the said Part; and

*(e)* for expenditures incurred by the Corporation under any contract not referred to in paragraphs *(a)*, *(b)*, *(c)* or *(d)* of this section entered into under *The National Housing Act, 1944*, out of moneys appropriated for the payment of the said expenditures by the Minister under the said Act or otherwise appropriated by Parliament therefor.

Total of loans or guarantees not to exceed those under N.H. Act.

**26.** The total amount of loans made or guarantees entered into by the Corporation on behalf of His Majesty under *The National Housing Act, 1944*, for any purpose specified in the said Act, shall not, together with any loans or guarantees made or entered into by the Minister on behalf of His Majesty under the said Act before the commencement of this Part for the same purpose, exceed the total amount of the loans or guarantees for the said purpose for which moneys are appropriated under the said Act or are otherwise appropriated by Parliament and made available to the Corporation for the said purpose.

Research and information.

**27.** The Corporation shall conduct research into the business of lending money on the security of mortgages and for such purpose shall compile information relating thereto.

Agreement with lending institution.

**28.** The Corporation may enter into an agreement with a lending institution under which the lending institution agrees to furnish to the Corporation information in respect of interest rates, losses on loans secured by mortgages, costs of construction and of land, comparative rentals, availability of money for loans on the security of mortgages in different parts of Canada, costs of operation of the business of lending money on the security of mortgages, methods of appraising real and immovable property and such other information as may assist the Corporation in research into the conduct of the business of lending money on the security of mortgages and under which the Corporation will agree to furnish to the lending institution information and material relating to the lending of money on the security of mortgages.

Corporation powers under agreement with lending institution.

**29.** (1) Where the Corporation has entered into an agreement with a lending institution under section twenty-eight of this Act, the Corporation may out of its capital and reserve fund established under section thirty-one of this Act or out of such other moneys as may be appropriated by Parliament for such purpose:—

*(a)* purchase all right or interest of the lending institution in a mortgage and take an assignment of the said mortgage;

*(b)* if the lending institution is a trust or loan company, make loans to the company on such terms and conditions including the rate of interest, as the Board may determine, upon the security of an assignment of or an agreement to assign mortgages held by the company; and

*(c)* if the lending institution is a trust or loan company, buy the debentures or other evidences of indebtedness, Guaranteed Investment Receipts or Guaranteed Investment Certificates of the company,

and the Corporation may sell to any person all right or interest of the Corporation in any mortgage held by it and assign the said mortgage to the said person.

(2) The Corporation may acquire, hold and dispose of collateral security for the repayment of loans or the payment of debentures, other evidences of indebtedness, Guaranteed Investment Receipts or Guaranteed Investment Certificates, made or purchased by the Corporation under this section.

ANCILLARY POWERS.

Corporation ancilliary powers.

**30.** (1) The Corporation may:

*(a)* in realizing upon any mortgage or other security, assigned to or acquired by the Corporation, take title to real or immovable property and may sell or dispose of such property;

*(b)* acquire and hold real or immovable property for its actual use in operation and management of its business, sell or dispose of the same and acquire other such property in its stead for the same purposes;

1944-45, c. 30.

*(c)* open deposit accounts with the Bank of Canada or any bank incorporated under *The Bank Act;*

*(d)* invest in securities of or guaranteed by the Dominion of Canada;

*(e)* borrow from the Minister and expend moneys appropriated by Parliament to be lent by the Minister to the Corporation or expend any moneys appropriated by Parliament to be expended by the Corporation, for the purposes for which such moneys are appropriated;

*(f)* exercise or perform any other powers, duties or functions conferred on or required to be performed by the Corporation under any other Act or Order in Council; and

(g) do any act or thing incidental to the conduct of the business of the Corporation.

Corporation may pay certain taxes.

(2) Where title to real or immovable property becomes vested in the name of the Corporation or of His Majesty, whether alone or jointly with any other person, in consequence of foreclosure or other proceedings taken in respect of a mortgage assigned to the Corporation or to which His Majesty is a party under the Housing Acts, the Corporation may pay to a municipal or other taxing authority an amount equivalent to the taxes which might be levied in respect of the said property or of the interest of the Corporation or of His Majesty therein by the said authority if the said property or interest were not so vested, and may enter into such agreements as may be necessary to give effect to the provisions of this subsection.

RESERVE.

Reserve fund.

**31.** The Corporation shall establish a reserve fund and the profits of the Corporation in each fiscal year remaining after such provision as the Board thinks proper for bad and doubtful debts, depreciation in assets and all such other matters as in the opinion of the Board should be provided for, shall be credited to the reserve fund; Provided that when the reserve fund has reached a total of five million dollars, any profits of the Corporation which would be credited to the reserve fund, shall be paid to the Receiver General.

Proviso.

## PART III.

AUDIT.

Auditors appointment.

Audit.

**32.** (1) The Minister, with the approval of the Governor in Council, shall appoint two auditors to hold office for a term not exceeding two years, to audit the affairs of the Corporation.

Ineligibility.

(2) No person shall be eligible to be an auditor if he or any member of his firm has been auditor for two successive years during the three next preceding years.

Vacancy.

(3) If any vacancy occurs in the office of the auditor of the Corporation, notice thereof shall forthwith be given by the Corporation to the Minister who thereupon shall appoint some other auditor to serve until the last day of February next following.

Ineligibility.

(4) No director or officer of the Corporation and no member of a firm of auditors of which a director is a member, shall be eligible for appointment as an auditor.

Report.

(5) The Minister may from time to time require the auditors to report to him upon the adequacy of the procedure adopted by the Corporation for the protection of its creditors and as to the sufficiency of their procedure in auditing the affairs of the Corporation; and the Minister may, in his discretion, enlarge or extend the scope of the audit or direct that any other procedure be established or

that any other examination be made by the auditors as the public interest may seem to require.

Copy of reports to be trasnmitted to Minister.

(6) A copy of every report made by the auditors to the Corporation under this section shall be transmitted to the Minister by the auditors at the same time as such report is transmitted to the Corporation.

FISCAL YEAR OF CORPORATION.

Fiscal year.

**33.** The fiscal year of the Corporation shall be the calendar year.

RETURNS.

Annual statement of accounts to Minister.

**34.** (1) Within ten weeks after the end of each fiscal year, the Corporation shall transmit to the Minister a statement, in the form prescribed by its by-laws, of its accounts for the fiscal year, signed by the President or the Vice-President and the Chief Accountant or Acting Chief Accountant and certified by the auditors of the Corporation, together with such report as the Board may deem desirable or as may be required by the Minister.

Publication of accounts.

(2) A copy of the accounts so signed and certified and of the report of the Board shall be forthwith published in the *Canada Gazette* and if Parliament is then sitting, shall, within fourteen days after the receipt thereof by the Minister, be laid before Parliament or if Parliament is not sitting, shall be laid before Parliament within fourteen days after the commencement of the next ensuing session thereof.

Corporation to furnish Minister statements and reports as required.

**35.** The Corporation shall furnish to the Minister from time to time or periodically at such times and in such manner as he may require, such statements or reports with regard to any or all of its business under this Act as he may require.

Falsifying reports.

**36.** Every officer or auditor of the Corporation who verifies any statement, account or list required to be furnished to the Minister pursuant to the provisions of this Act, or who has to do with the delivering or transmitting of the same to the Minister knowing the same to be false in any material particular, shall be guilty of an indictable offence and liable to imprisonment for not more than five years and not less than six months.

Offence.

GENERAL.

Insolvency or winding-up not applicable.

**37.** No Act relating to the insolvency or winding-up of any corporation shall apply to the Corporation and in no case shall the affairs thereof be wound up unless Parliament so provides.

Organization and preliminary expenses.

**38.** The Minister, with the approval of the Governor in Council, may incur organization and preliminary expenses in the furtherance of the purposes of this Act between the

date of the passing of this Act and the first meeting of the Board of Directors not exceeding twenty-five thousand dollars, and any expenses so incurred may be paid out of unappropriated moneys in the Consolidated Revenue Fund and shall be recoverable from the Corporation.

Approval of G. in C. on recommendation of Minister.

**39.** Where under the Housing Acts any act, matter or thing to be done by the Minister requires the approval of the Governor in Council or where the Governor in Council may make any orders or regulations on the recommendation of the Minister, the said approval or the said orders or regulations may be made on a recommendation of the Minister made at the request of the Corporation.

Salary of officer or employee transferred from Civil Service.

**40.** (1) Where an officer or employee of the Corporation was an officer, clerk or employee in the Civil Service of Canada immediately prior to his employment by the Corporation, the rate of salary paid to him by the Corporation shall not be less than the rate of salary which he was receiving in the Civil Service immediately prior to his employment by the Corporation.

Superannuation contributions continued until pension fund established.

(2) Where an officer or employee of the Corporation was immediately prior to his employment by the Corporation a contributor under the *Civil Service Superannuation Act*, he shall continue to be such a contributor until the coming into operation of a bylaw under subsection three of section fourteen of this Act establishing a pension fund for the officers and employees of the Corporation when he shall cease to be a contributor under the *Civil Service Superannuation Act* and shall, in the place of receiving any allowance, gratuity or other benefit, under the said Act, become a contributor to the said pension fund.

R.S., c. 24.

Corporation contribution to Superannuation Accounts.

(3) During any period while an officer or employee of the Corporation continues to be a contributor under the *Civil Service Superannuation Act* the Corporation shall pay into the Consolidated Revenue Fund to be credited to the Superannuation Account under the said Act a like amount to that contributed by the said officer or employee.

Payment by Minister to pension fund when officer becomes contributor.

(4) When an officer or employee of the Corporation referred to in subsection two of this section becomes a contributor to the pension fund established by the Corporation, the Minister shall, as the Governor in Council may direct, pay to the Corporation, out of the Superannuation Account in the Consolidated Revenue Fund or out of unappropriated moneys in the Consolidated Revenue Fund, such amount as may, with the approval of the Governor in Council, be agreed upon between the Minister and the Corporation in respect of the service of the officer or employee which might have been counted under the *Civil Service Superannuation Act* at the time he became a contributor to the pension fund of the Corporation and the

said service of the officer or employee in the Civil Service shall be counted as service with the Corporation for the purposes of the pension fund established by the Corporation.

Corporation payment into C.R.F. when officer returns to position in Civil Service.

(5) Where an officer or employee of the Corporation mentioned in subsection four of this section terminates his service with the Corporation to return to a position in the Civil Service and becomes a contributor under the *Civil Service Superannuation Act*, the Corporation shall pay into the Consolidated Revenue Fund, out of the pension fund of the Corporation or otherwise, such amount as may, with the approval of the Governor in Council be agreed upon between the Corporation and the Minister, in respect of the service of the said officer or employee which may have been counted for the purposes of the said pension fund at the time of the termination of his service with the Corporation, which amount shall be credited to the Superannuation Account and the said service may thereupon be counted as service in the Civil Service for the purposes of the said Act.

Basis of computation of salary.

(6) Where, for the purpose of the *Civil Service Superannuation Act* or the pension fund established by the Corporation, any computation is based on the salary payable during any period to an officer, clerk or employee to whom this section applies, the computation shall be based on the salary payable to the officer, clerk or employee during the relevant period whether in the Civil Service or in the employment of the Corporation.

Assistance from government services.

**41.** The Minister of any department, or the officer in charge of any branch or portion of the Government of Canada, or any agent of His Majesty in right of Canada, may, upon request of the Corporation and with the approval of the Governor in Council, agree to assist the Corporation on such terms and conditions as may be approved by the Governor in Council by providing such services as the Executive Committee may deem advisable for carrying out the business of the Corporatoin.

Repeal, 1939, c. 40.

Assets of Central Mortgage Bank transferred to Corporation.

**42.** The *Central Mortgage Bank Act* is hereby repealed and the assets of the Central Mortgage Bank shall be transferred to the Corporation which, at their market value, shall be deemed to be a payment of capital by the Minister to the Corporation under section seventeen of this Act.

Coming into force.

**43.** Part II of this Act shall come into force on a date to be fixed by proclamation.

## SCHEDULE

### Oath of Fidelity and Secrecy

I..... do solemnly swear that I will faithfully, truly and to the best of my judgment, skill and ability, execute and perform the duties required of me as a director (officer or employee as the case may be) of the Central Mortgage and Housing Corporation and which properly relate to any office or position in the said Corporation held by me.

I further solemnly swear that I will not communicate or allow to be communicated to any person not legally entitled thereto any information relating to the affairs of the Corporation, nor will I allow any such person to inspect or have access to any books or documents belonging to or in the possession of the Corporation and relating to the business of the Corporation.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 27.

An Act to amend The Farmers' Creditors Arrangement Act, 1943.

First reading, October 26, 1945.

Mr. JAENICKE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

47635

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 27.

An Act to amend The Farmers' Creditors Arrangement Act, 1943.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

1943-44, c. 26.

**1.** Section seven of *The Farmers' Creditors Arrangement Act, 1943*, chapter twenty-six of the statutes of 1943-44, is repealed, and the following substituted therefor:—

Proposals by farmers where no previous proposal or previous proposal made prior to 31st Dec., 1938.

"**7.** (1) Where a farmer residing in the province of Alberta, Manitoba or Saskatchewan

(i) who did not make a proposal under *The Farmers' Creditors Arrangement Act, 1934*, or

(ii) who made a proposal under *The Farmers' Creditors Arrangement Act, 1934*, on or before the 31st day of December, 1938, whether or not a composition, extension of time or scheme of arrangement pursuant to such proposal was approved by the court or confirmed by the Board of Review,

and who is unable to meet his debts as they become due, if two-thirds of the total amount thereof are owing by him in respect of debts incurred before the first day of May, 1935, he may make a proposal under this Act for a composition, extension of time or scheme of arrangement either before or after an assignment under the *Bankruptcy Act:*

R.S., c. 11.

Proviso.

Provided that, in the case of a farmer coming under paragraph (ii) of this section, the debts of the farmer mean his debts under the composition, extension of time or scheme of arrangement and otherwise."

**2.** Section seven of the said Act is further amended by adding thereto the following subsection:—

Coming into force of section seven.

"(2) This section shall be deemed to have had effect on and from the first day of September, 1934."

## Explanatory Notes.

The proposed amendment deals with the application of those farmers who had previously made a proposal under the Act of 1934.

**1.** The only change proposed in the new section 7 is in respect to subparagraph (ii) thereof, which presently reads:

> "(ii) who made a proposal under *The Farmers' Creditors Arrangement Act, 1934*, pursuant to which a composition, extension of time or scheme of arrangement was approved by the court or Board of Review on or before December 31, 1938."

According to court decisions a farmer who made a proposal under the Act, who for valid or technical reasons abandoned the proposal or who found the proposal by the Board of Review to be of so little value that he had it cancelled, is barred at the present time from making a new proposal.

It is to give these farmers an opportunity to file a new proposal in order to have their affairs adjusted according to conditions as they now exist that this amendment is proposed.

**2.** This section will make the provisions of the new section seven retroactive to the date the Act came into force by proclamation.

One only or more than one proposal.

**3.** Section twenty-eight of the said Act is repealed, and the following substituted therefor:—

"**28.** Subject to the provisions of section seven no farmer shall be entitled to make more than one proposal under this Act."

**3.** This is a consequential amendment. The underlined words are added to the section as it now reads.

32.

F|rst Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 32.

An Act to amend The Transport Act, 1938.

First reading, November 5, 1945.

MINISTER OF TRANSPORT.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

47811

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 32.

An Act to amend The Transport Act, 1938.

1938, c. 53; 1944-45, c. 25.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Subsection one of section two of *The Transport Act, 1938*, chapter fifty-three of the statutes of 1938, as amended by sections one and two of chapter twenty-five of the statutes of 1944-45, is further amended by adding thereto, immediately after paragraph *(h)*, the following paragraph:—

"Mackenzie River."

"*(hh)* 'Mackenzie River' means all rivers, streams, lakes and other waters within the watershed of the Mackenzie River;"

**2.** Paragraphs *(k)* and *(m)* of subsection one of section two of the said Act are repealed and the following substituted therefor:—

"ship."

"*(k)* 'ship' means every description of vessel, including a lighter, barge, scow or other like vessel, however propelled, exceeding ten tons gross tonnage, used in navigation on the Mackenzie River, and exceeding five hundred tons gross tonnage used in navigation on other waters in Canada; and when used in Part VI of this Act, includes any vessel, boat, dredge, floating elevator or any other floating craft, and any raft, crib, dram or bag boom of logs, timber or lumber of any kind, and logs, timber or lumber in boom or being towed;"

**3.** Subsection three of section twelve of the said Act is repealed and the following substituted therefor:—

Transport of goods in bulk.

"(3) The provisions of this Part shall not apply to the transport of goods in bulk on waters other than the Mackenzie River."

## Explanatory Notes.

The purpose of this Bill is to amend *The Transport Act, 1938*, to give the Board of Transport Commissioners jurisdiction over water carriers operating vessels exceeding ten tons gross tonnage in the Mackenzie River area.

The repealed and amended sections, subsections and paragraphs of the Act read as follows:—

**1.** This is a new definition.

**2.** "*(k)* 'ship' includes every description of vessel exceeding five hundred tons gross tonnage;"

"*(m)* 'ship' when used in Part VI of this Act includes any ship, boat, barge, dredge, floating elevator, scow or any other floating craft and any raft, crib, dram or bag boom of logs, timber or lumber of any kind, and logs, timber or lumber in boom or being towed;"

The new definition of "ship" combines the definitions contained in paragraphs *(k)* and *(m)* and extends the definition to ships over ten tons gross tonnage used in navigation on the Mackenzie River.

**3.** "(3) The provisions of this Part shall not apply to the transport of goods in bulk."

The added words are indicated by underlining in the text.

**4.** Section thirty-four of the said Act is repealed and the following substituted therefor:—

Transport of goods in bulk.

"**34.** The provisions of this Part shall not apply to the transport of goods in bulk on waters other than the Mackenzie River."

**5.** Section thirty-eight of the said Act is repealed and the following substituted therefor:—

Transport of goods in bulk.

"**38.** The provisions of this Part shall not apply to the transport by water of goods in bulk on waters other than the Mackenzie River."

**4.** "**34.** The provisions of this Part shall not apply to the transport of goods in bulk."

The added words are those underlined in the text.

**5.** "**38.** The provisions of this Part shall not apply to the transport by water of goods in bulk."

The added words are those underlined in the text.

33.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 33.

An Act to amend the Criminal Code.

First reading, November 5, 1945.

MR. GLADSTONE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

48394

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 33.

An Act to amend the Criminal Code.

R.S., c. 36; 1930, c. 11; 1931, c. 28; 1932, cc. 7, 8, 9, 28; 1932-33, cc. 25, 53; 1934, cc. 11, 47; 1935, cc. 36, 56; 1936, c. 29; 1938, c. 44; 1939, (1st Sess.) c. 30; 1943-44, c. 23; 1944-45, c. 35.

HIS MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Pointing any firearm or air-gun at any person.

**1.** Section one hundred and twenty-four of the *Criminal Code*, chapter thirty-six of the Revised Statutes of Canada, 1927, as enacted by section one of chapter twenty-five of the statutes of 1932–33, is amended by adding thereto the following subsections:—

Printing, etc., pictures depicting the pointing of an offensive weapon.

"(2) Every one is guilty of an offence and liable on summary conviction to a penalty not exceeding one thousand dollars or to imprisonment for any term not exceeding one year, with or without hard labour, who prints, makes, publishes, or who knowingly imports into Canada, any book or magazine on the cover of which appears any picture or drawing depicting the pointing by one person of an offensive weapon at another person, or the shooting by one person of another person with an offensive weapon if such picture or drawing is intended to or does illustrate or represent a hold-up, robbery, murder or other criminal act or intention.

Selling, etc., magazine on cover of which appears picture depicting pointing of offensive weapon.

"(3) Every one is guilty of an offence and liable on summary conviction to a penalty not exceeding one hundred dollars or to imprisonment for any term not exceeding thirty days, with or without hard labour, who sells or exposes for sale or to the public view, or distributes or circulates or causes to be distributed or circulated or has in his possession for sale, distribution or circulation any book or magazine on the cover of which appears any picture or drawing depicting the pointing by one person of an offensive weapon at another person or the shooting by one person of another person with an offensive weapon if such picture or drawing is intended to or does illustrate or represent a hold-up, robbery, murder or other criminal act or intention."

## Explanatory Note.

Section 124 makes it an offence to point at another person any firearm or air gun without lawful excuse.

The purpose of this amendment, which adds two subsections to section 124, is to make it an offence to print, publish or import, sell or distribute, magazines on the cover of which appear pictures depicting the pointing by one person of an offensive weapon at another person, or the shooting with an offensive weapon, if the picture illustrates a hold-up, robbery, murder or other criminal act.

It is entirely wrong and detrimental to the morals of young boys that they should continue to be permitted to observe and study on magazine counters such scenes as are described in these two subsections, or that they should be encouraged to read the sort of literature contained in these magazines by looking at such pictures depicting shooting scenes which can only tend to educate them to think that there is nothing wrong in pointing a gun at a person.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 91.

An Act to amend the Fish Inspection Act.

First reading, November 9, 1945.

THE MINISTER OF FISHERIES.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

48719

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 91.

An Act to amend the Fish Inspection Act.

R.S., c. 72; 1929, c. 43; 1930, c. 22; 1932, c. 31.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Paragraph *(c)* of section two of the *Fish Inspection Act*, chapter seventy-two of the Revised Statutes of Canada, 1927, is repealed and the following substituted therefor:—

"fish".

"*(c)* "fish" means the fish to which this Act applies and extends, and includes shellfish;"

Regulations.

**2.** Subsection one of section four of the said Act, as amended by section two of chapter thirty-one of the statutes of 1932, is further amended by adding thereto the following paragraph:—

"*(j)* respecting the processing and marking of fish to be packed in containers."

**3.** The said Act is further amended by adding thereto, immediately after section sixteen thereof, the following section:—

Seizure of fish and containers.

"**16A.** (1) Whenever an inspecting officer reasonably suspects that an offence against this Act or any regulation has been committed, he may seize all fish and containers by means of or in relation to which he reasonably believes the offence was committed.

Detention of fish and containers seized.

(2) All fish and containers seized pursuant to subsection one of this section may be detained for a period of three months following the day of seizure, unless during that period proceedings under this Act in respect of those fish or containers are undertaken, in which case the fish and containers may be further detained until such proceedings are finally concluded.

## Explanatory Notes.

**1.** The underlined words are added to remove any doubts as to the inclusion of shellfish under the Act.

**2.** From time to time the application of this Act has been extended by virtue of section three to different kinds of fish. The amendment is designed to enable proper inspection standards to be applied for the processing of such fish.

**3.** There is no provision for seizure and confiscation in cases where an offence has been committed against any provisions of the Act or regulations. This section provides for seizure as well as for powers of confiscation upon conviction for an offence against the Act or regulations.

Seized fish and containers forfeited to His Majesty after conviction.

(3) Where a person is convicted of an offence against this Act or any regulation, the fish and containers by means of or in relation to which the offence was committed shall upon such conviction, in addition to any penalty imposed, be forfeited to His Majesty and may be disposed of as the Minister may direct."

92.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 92.

An Act to amend The Penitentiary Act, 1939.

First reading, November 9, 1945.

THE MINISTER OF JUSTICE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

48723

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 92.

An Act to amend The Penitentiary Act, 1939.

1939, c. 6; 1940, c. 37.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Subsection one of section four of *The Penitentiary Act, 1939*, chapter six of the statutes of 1939, is repealed and the following substituted therefor:—

The Penitentiary Commission.

"**4.** (1) There shall be, under the direction and control of the Minister, a Commission to be known as The Penitentiary Commission consisting of three commissioners who shall be appointed by the Governor in Council and who shall hold office during pleasure."

**2.** The said Act is further amended by adding immediately after section four thereof the following:—

Authority preceding coming into force of Act.

"**4A.** The Governor in Council may appoint one or more commissioners mentioned in the last preceding section of this Act with authority, pending the coming into force of this Act,

*(a)* to consider the several recommendations contained in a certain report of a Royal Commission to investigate the penal system of Canada made on the fourth day of April, nineteen hundred and thirty-eight other than those relating to the subject-matters referred to in subsection two of section five of this Act;

*(b)* to make inquiry, subject to the direction of the Minister, into matters relative to the aforesaid recommendations;

*(c)* to report the results of such consideration and inquiry and to recommend to the Minister what is advisable or expedient to be done to implement the aforesaid recommendations; and

*(d)* to perform such other duties as may be assigned by the Minister."

## Explanatory Notes.

**1.** The object of this amendment is to make the appointment during pleasure rather than for a definite period of ten years. The present subsection reads as follows:—

"4. (1) There shall be, under the direction and control of the Minister, a Commission to be known as The Penitentiary Commission consisting of three commissioners who shall be appointed by the Governor in Council and who shall hold office *for a period of ten years from the date of appointment.*"

**2.** The object of this amendment is to permit the appointment of one or more commissioners immediately in order that they may make preparatory study of the various matters recommended by the Royal Commission and advise the Minister of Justice with respect thereto.

**3.** Section nine of the said Act is repealed and the following substituted therefor:—

Staff of Commission.

"**9.** Except as otherwise herein provided all other officers, clerks and employees as are necessary for the proper conduct of the business of the Commission shall be appointed or employed in the manner authorized by law and shall hold office during pleasure: Provided that such officers (except the Superintendent and inspectors), clerks and employees in the Penitentiary and Purchasing Agent's Branches of the Department of Justice at the time of the coming into force of this Act shall, by virtue of this provision, be transferred to the Commission: Provided further, that those persons holding the positions of inspector at the time of the coming into force of this Act shall, pending the appointment by the Governor in Council of assistant commissioners, act as assistant commissioners at the salaries received by them as inspectors at such time."

Proviso.

Staff of Penitentiary and Purchasing Agent's Branches transferred.

Acting assistant commissioners.

Proviso.

**4.** Section thirteen of the said Act is repealed and the following substituted therefor:—

Application of Civil Service Act, R.S., c. 22.

"**13.** (1) Except where inconsistent with the provisions of this Act, the provisions of the *Civil Service Act* shall apply to the assistant commissioners and all officers, clerks and employees of the Commission.

Application of Civil Service Superannuation Act, R.S., C. 24.

(2) The provisions of the *Civil Service Superannuation Act* shall apply to the commissioners, asistant commissioners and all officers, clerks and employees of the Commission, and to all officers, clerks and employees employed in the penitentiaries."

**5.** Section eighty-two of the said Act is repealed and the following substituted therefor:—

Appropriation Act to be interpreted as applying to Commission.

"**82.** Wherever in any Appropriation Act for the financial year in which this Act shall come into force, provision is made based on estimates for the Department of Justice, Penitentiary Branch, such provision and Estimates shall be interpreted as applying to the Commission and the penitentiaries under its control and management and the amount of the salaries, or portions thereof, required for the commissioners and assistant commissioners may be taken from the Vote respecting operation and maintenance of penitentiaries of the said Estimates if there is not a sufficient amount available in the Vote providing for Branch administration."

**6.** Section eighty-four of the said Act is repealed and the following substituted therefor:—

Coming into force.

"**84.** This Act or any part thereof shall come into force on a date to be fixed by proclamation of the Governor in Council published in the *Canada Gazette*."

**3.** The object of this amendment is to include in the transfer of staff those in the Purchasing Agent's Branch, the duties of which relate entirely to penitentiaries and which is at present a separate Branch, the same as the Penitentiary Branch in the Department of Justice. The only change is indicated by the underlined words. The present section reads as follows:—

9. Except as otherwise herein provided all other officers, clerks and employees as are necessary for the proper conduct of the business of the Commission shall be appointed or employed in the manner authorized by law and shall hold office during pleasure: Provided that such officers (except the Superintendent and inspectors), clerks and employees in the Penitentiary Branch of the Department of Justice at the time of the coming into force of this Act, shall, by virtue of this provision, be transferred to the Commission: Provided further, that those persons holding the positions of inspector at the time of the coming into force of this Act shall, pending the appointment by the Governor in Council of assistant commissioners, act as assistant commissioners at the salaries received by them as inspectors at such time."

**4.** The object of this amendment is to provide for the application of the *Civil Service Act* to assistant commissioners and staff of the Commission and for the application of the *Civil Service Superannuation Act* to the commissioners as well as assistant commissioners and staff of the Commission and staffs of the several penitentiaries. The present section reads as follows:—

"13. Except where inconsistent with the provisions of this Act, the provisions of the *Civil Service Act* and the *Civil Service Superannuation Act* shall apply to the assistant commissioners and all officers, clerks and servants of the Commission and all officers, employees and servants employed in the penitentiaries."

**5.** The object of this amendment is to make the section applicable when the Act comes into force. The present section reads as follows:—

"82. Wherever in any Appropriation Act for the financial year *ending the thirty-first day of March, one thousand nine hundred and forty*, provision is made, based on Estimates 1939-40, for the Department of Justice, Penitentiary Branch, such provision and Estimates shall be interpreted as applying to the Commission and the penitentiaries under its control and management and the amount of the salaries, or portions thereof, required for the commissioners and assistant commissioners may be taken from the Vote respecting operation and maintenance of penitentiaries of the said Estimates if there is not a sufficient amount available in the Vote providing for Branch administration."

**6.** The object of this amendment is to permit a section, such as proposed new section four A, to be brought into force without bringing the whole Act into force. The present section reads as follows:—

"84. This Act shall come into force on a date to be fixed by proclamation of the Governor in Council published in the *Canada Gazette*."

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 93.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

**AS PASSED BY THE HOUSE OF COMMONS, 13th NOVEMBER, 1945.**

No First Reading

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

48835

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 93.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency the Right Honourable the Earl of Athlone, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-six, and for other purposes connected with the public service: May it therefore please Your Majesty that it may be enacted, and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

**1.** This Act may be cited as *The Appropriation Act, No. 5, 1945.*

$29,769,000.11 granted for 1945-46.

**2.** From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole twenty-nine million, seven hundred and sixty-nine thousand dollars and eleven cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-five, to the thirty-first day of March, one thousand nine hundred and forty-six, not otherwise provided for, and being one-twelfth of the amount of each of the items to be voted, set forth in the Main Estimates for the fiscal year ending the thirty-first day of March, one thousand nine hundred and forty-six, as laid before the House of Commons at the present session of Parliament.

Account to be rendered in detail.

**3.** A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the next session of Parliament.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 161.

An Act to authorize a certain Agreement between His Majesty the King and the Corporation of the City of Ottawa.

First reading, November 15, 1945.

THE MINISTER OF PUBLIC WORKS.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

47355

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 161.

An Act to authorize a certain Agreement between His Majesty the King and the Corporation of the City of Ottawa.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Agreement authorized.

**1.** The Minister of Public Works of Canada may, on behalf of His Majesty the King, enter into and execute the Agreement with the City of Ottawa, set out in the Schedule to this Act.

## SCHEDULE

AGREEMENT entered into this day of in the year of our Lord One Thousand Nine Hundred and Forty-Five;

Between HIS MAJESTY THE KING, in right of Canada, represented by the Honourable the Minister of Public Works of Canada, hereinafter referred to as the "Government," *of the First Part:* and THE CORPORATION OF THE CITY OF OTTAWA, hereinafter referred to as the "Corporation," *of the Second Part:*

WHEREAS the Government and the Corporation entered into a certain agreement in writing, dated March 30, 1920, respecting certain services to be rendered by the Corporation to the Government and certain payments to be made by the Government to the Corporation in consideration thereof and respecting the maintenance and repair of certain public works, pavements and sidewalks in the City of Ottawa, as will more fully appear by reference to the said agreement;

AND WHEREAS the said agreement is set out in a Schedule to Chapter 15 of the Statutes of Canada for 1920;

## Explanatory Notes.

These notes indicate the differences between the terms of the Agreement of 1920 and subsequent Agreements and the Agreement set out as a Schedule to this Bill.

The Agreement of 1920 is set out in full at the end of these notes.

## Recitals.

The Agreement of 1920 provided for the payment of $75,000. annually to the Corporation for a period of five years, 1919-1924, with other payments and considerations between the contracting parties more particularly noted and the differences indicated in the notes following.

As set out in the first four recitals the Agreement of 1920 without change was extended from time to time to the first day of July, 1925.

In 1925 the annual payment by the Government to the Corporation was increased from $75,000. to $100,000. which payment was continued under several Acts to the first day of July, 1944, without other change in the terms of the Agreement.

AND WHEREAS it was by the said agreement provided that the payments in the said agreement mentioned to be made by the Government to the Corporation should be paid annually during a period of five years from the first day of July, 1919;

AND WHEREAS by Chapter 59 of the Statutes of Canada for 1924 the Minister of Public Works was authorized to enter into and did thereafter enter into an agreement with the Corporation on behalf of His Majesty, extending for a period of one year from the first day of July, 1924, the provisions of the said agreement dated March 30, 1920.

AND WHEREAS by Chapter 21 of the Statutes of Canada for 1925 the Minister of Public Works was authorized on behalf of His Majesty, to enter into an agreement with the Corporation extending for a period of five years from the first day of July, 1925, the provisions of the said agreement dated March 30, 1920, extended as aforesaid, and was by said Act vested with power and authority to amend the said agreement so to be extended as aforesaid by substituting therein the sum of One Hundred Thousand Dollars ($100,000.00) per annum instead of Seventy-five Thousand Dollars ($75,000.00) as the amount payable thereunder annually to the Corporation by virtue of operative clause 1 of said agreement.

AND WHEREAS the parties hereto subsequently executed an agreement in writing dated September 17, 1925, to the effect aforesaid;

AND WHEREAS by Chapter 43 of the Statutes of Canada for 1931; Chapter 11 of the Statutes of Canada for 1932; Chapter 17 of the Statutes of Canada for 1933; Chapter 7 of the Statutes of Canada for 1934-1935; Chapter 14 of the Statutes of Canada for 1936; Chapter 37 of the Statutes of Canada for 1937; Chapter 10 of the Statutes of Canada for 1938; Chapter 5 of the Statutes of Canada for 1939; Chapter 14 of the Statutes of Canada for 1940; Chapter 7 of the Statutes of Canada for 1941; Chapter 15 of the Statutes of Canada for 1942 and Chapter 10 of the Statutes of Canada for 1943 the Minister of Public Works was authorized on behalf of His Majesty the King to enter into yearly agreements with the Corporation extending the provisions of the said agreement dated March 30, 1920, as amended by the said agreement dated September 17, 1925, for further periods of one year each, terminating the thirtieth day of June, 1943;

AND WHEREAS by Chapter 11 of the Statutes of Canada for 1944-45, the Minister of Public Works was authorized on behalf of His Majesty the King to enter into an agreement with the Corporation extending the provisions of the said agreement dated March 30, 1920, as amended by the said agreement dated September 17, 1925, for a further period of one year from the first day of July, 1943;

And Whereas it has been deemed advisable by the Government and the Corporation that a new agreement be made and that the terms of all agreements made under and by virtue of said Statutes, Orders in Council and By-laws, in so far as the same are inconsistent with the terms of said agreement be cancelled;

Now Therefore This Agreement Witnesseth:—

1. The Government agrees to pay to the Corporation the sum of Three Hundred Thousand Dollars ($300,000.00) annually for a period of five years from the first day of July, 1944, the said payments to be made quarterly, the amount due including the current quarterly payment to be paid as soon as may be after the passing of an Act authorizing this agreement, and the remaining quarterly payments to be made on the first day of the months of January, April, July and October of each year, during the said period, the last such payment to be made on the first day of April, 1949. The said payments shall be in full satisfaction and discharge of all claims and demands on the Government by and on the part of the Corporation in respect of services rendered by the Corporation to the Government, except as otherwise provided in this agreement or in any other agreement now or hereafter entered into between the Government and the Corporation.

2. In particular, but not so as to restrict the generality of the foregoing, the Corporation agrees that the annual payment to it of the sum of Three Hundred Thousand Dollars ($300,000.00) shall be in full payment, satisfaction and discharge of all claims and demands by or on the part of the Corporation on the Government, in respect of water supplied for street sprinkling, for fire protection by the Corporation to any of the buildings or premises owned or occupied by the Government, and for use in Major's Hill Park and in such other parks and driveways as may be owned or maintained by the Federal District Commission, and that it will continue to supply water for such purposes during the period of this agreement, provided that, for sprinkling purposes, such use shall be restricted to the hours from time to time fixed by by-law of the Corporation.

3. The Government agrees to maintain, repair and keep in repair the substructure, superstructure, pavements and sidewalks of the bridge over the Rideau Canal known as Connaught Place, formerly consisting in part of Dufferin and Sapper's Bridges, and of the Laurier Avenue Bridge over the Rideau Canal and of the bridges over the Chaudiere Slides, in the City of Ottawa.

4. The Government agrees to maintain, repair and keep in repair the sidewalks on the easterly side of Elgin Street in front of Cartier Square and on the southerly side of Laurier Avenue along the side of Cartier Square, and on the northerly side of that portion of Wellington Street between

1. This Clause of the Agreement corresponds to Clause 1 of the 1920 Agreement except that the amount agreed to be paid annually by the Government for a five year period is $300,000. instead of $75,000.

2. This Clause sets out the respective obligations of the parties in respect to street sprinkling and fire protection. The corresponding provision is found in paragraph *(b)* of Clause 2 of the 1920 Agreement. The difference is that in the present Agreement the provisions for payment for water supply—other than abovementioned—are contained in later clauses 9, 10 and 11.

3. This Clause is contained in Clause 3 of the 1920 Agreement, but is confined only to bridges.

4. This Clause is a compilation of the references to sidewalks contained in Clauses 3 and 4 of the 1920 Agreement and also extends the liability of the Crown from the former westerly limits on Wellington St. to Queen St. West, and adds liability for a portion of Sparks St., both as a result of the Government having acquired ownership of abutting properties.

Connaught Place and the intersection of Wellington Street and Queen Street West, and on so much of the southerly side of the said street as is in front of property owned by the Government including that portion from the intersection of Wellington and Bank Streets to the intersection of Wellington and Sparks Streets and on the northerly side of Sparks Street from the intersection of Sparks and Kent Streets to the intersection of Sparks and Wellington Streets.

5. The Government agrees to maintain, repair and keep in repair the roadway and the pavement thereon of that portion of Wellington Street which lies between the easterly limit of Bank Street, and the intersection of Wellington Street and Queen Street West, and to repair and keep in repair the existing roadway and the pavement thereon of that portion of Wellington Street which lies east of Bank Street, and should it be deemed desirable that a new pavement be hereafter replaced on that part of Wellington Street which lies east of Bank Street such work shall be done by the Corporation in the same manner as similar works are done in other portions of the City, nothing herein contained to be construed as releasing property holders on the said portion of Wellington Street from any obligation imposed on them by law as regards payment of any taxes or local improvement rates in respect of their property on the said street.

6. The obligation to maintain bridges, roadways, pavements and sidewalks shall include the obligation to provide bridges, roadways, pavements and sidewalks suitable in size, location and nature and quality of material for the traffic using them and, from time to time when necessary, to renew and replace the same.

7. The Corporation agrees to pay to the Government on the first day of June in each year all moneys paid by the Ottawa Electric Railway Company to the Corporation for such year, in respect of mileage of Ottawa Electric Railway Company tracks occupying that portion of Wellington Street maintained by the Government under the provisions of this agreement.

8. The Government agrees to indemnify and keep indemnified the Corporation from all manner of loss, damages, costs, expenses, suits, claims and demands to which it may be put or which may be brought or made against it arising from or in consequence of the non-repair of any one or more of the bridges, roadways, sidewalks and pavements referred to in clauses numbered 3, 4, 5 and 6 of this agreement or of any act done or omitted in the course of maintenance or repair thereof, or the supply or non-supply of material therefor and to pay to the Corporation on demand all such loss, damages, costs and expenses sustained by the Corporation and all moneys reasonably and properly paid by the Corporation in settlement of all such suits, claims

5. This Clause, similarly to Clause 4 above, extends the provisions of Clause 4 in the 1920 Agreement as to roadways on Wellington St. to Queen Street West.

6. This Clause is new, and has been incorporated to clarify the meaning of "maintain" as used in the Agreement.

7. This Clause is a simplified re-enactment of a clause in an Agreement dated August 7th, 1916, between the City and the Government, which only inferentially was included in the 1920 Agreement, under Clause 6, Para. 2.

8. This Clause is similar to that at the end of Clause 4 in the 1920 Agreement.

and demands, save and except suits, claims or demands arising by reason of anything done or omitted by the Corporation, its agents, servants or workmen.

9. The Government agrees to pay the Corporation for a supply of water from the Water Works of the Corporation for use in and on all buildings and parts of buildings, lands and premises in the City of Ottawa now or hereafter owned and occupied by the Government any time during the period of years commencing the first day of July, 1944, and also for use in and on the Rideau Hall Grounds and Central Experimental Farm and the buildings thereon during the said period at the rate of thirteen (13) cents per one hundred (100) cubic feet.

10. The Government agrees to pay the Corporation in respect of all buildings and parts of buildings and in respect of all premises leased by the Government as lessor or as lessee, as to which the Government is under obligation by the terms of its lease to make payment of water rates at the general rate from time to time established by the Water Works by-law of the Corporation; provided, however, that so long as Lansdowne Park is leased or occupied by the Government, the Government shall pay the Corporation for water used therein or thereon at the rate provided by clause numbered 9 of this agreement.

11. The Corporation agrees to install and maintain water meters at all convenient places where a supply of water is taken from its Water Works for the use of the Government in and on all buildings, parts of buildings, lands and premises. The amount payable by the Government in each year for water shall be determined by readings taken from the said meters at quarterly intervals and shall be payable quarterly at the office of the Collector of Taxes of the Corporation, without discount, during the continuance of this agreement.

12. In respect of any one or more of the works described in clauses *(a)*, *(b)*, *(d)*, *(e)*, *(f)*, *(g)*, *(h)*, *(p)* and *(q)* of subsection 1 of section 2 of the Local Improvement Act of Ontario (R.S.O. 1937, Chapter 269) heretofore or hereafter undertaken by the Corporation under the provisions of the said Act, in, under or upon streets and parts of streets on which land owned by the Government abuts, the Government agrees to pay to the Corporation annually at the times fixed for payment of taxes by by-law of the Corporation an amount equivalent to the amount which would be payable in respect of such abutting property if it were not exempt from taxation and if the Act were binding on the Government. The Corporation agrees that in so far as such works are concerned, the Government shall have the same right as any other property owner to object to any local improvement being undertaken, to petition for or against a local improvement or to appeal from any local improvement report.

9. This Clause includes in this Agreement the present arrangements for the supply of and payment for water, superseding parts of Clause 2 of the 1920 agreement. As a result of the completion of the filtration plant by the City in 1932, the original rate of 13 cents per 1,000 gallons was increased by 25%. In 1942, resulting from accounts submitted by the City, it was further increased to 20.82 cents per 1,000 gallons,—or, as an equivalent, 13 cents per 100 cubic feet, as now is contained in this Clause.

10. This Clause includes in this Agreement the present arrangements for the supply of and payment for water, superseding parts of Clause 2 of the 1920 agreement. As a result of the completion of the filtration plant by the City in 1932, the original rate of 13 cents per 1,000 gallons was increased by 25%. In 1942, resulting from accounts submitted by the City, it was further increased to 20.82 cents per 1,000 gallons,—or, as an equivalent, 13 cents per 100 cubic feet, as now is contained in this Clause.

11. This Clause includes in this Agreement the present arrangements for the supply of and payment for water, superseding parts of Clause 2 of the 1920 agreement. As a result of the completion of the filtration plant by the City in 1932, the original rate of 13 cents per 1,000 gallons was increased by 25%. In 1942, resulting from accounts submitted by the City, it was further increased to 20.82 cents per 1,000 gallons,—or, as an equivalent, 13 cents per 100 cubic feet, as now is contained in this Clause.

12. This Clause specifically states the rights and liabilities acceptable to the Government with respect to local improvements. It clarifies Clause 5 of the 1920 Agreement.

The terms of all former agreements between the said Government and the Corporation with respect to the subject-matters hereof, in so far as the same are inconsistent with the terms of this agreement, are hereby cancelled.

IN WITNESS WHEREOF the Seal of the Department of Public Works of Canada has hereunto been affixed under the hands of the Minister and Secretary of the said Department, and the Seal of the Corporation has hereunto been affixed under the hands of the Mayor and Clerk.

SIGNED, SEALED AND DELIVERED by the Minister and Secretary of Public Works in the presence of:

.....
*Minister of Public Works.*

.....
*Secretary.*

SIGNED, SEALED AND DELIVERED by the Mayor and Clerk of the City of Ottawa.

.....
*Mayor.*

.....
*Clerk.*

The Agreement of 1920 is printed here for purposes of reference and comparison.

AGREEMENT entered into this 30th day of March, in the year of our Lord One Thousand Nine Hundred and Twenty;

Between HIS MAJESTY THE KING, as represented by the Minister of Public Works of Canada, hereinafter referred to as "The Government," *of the First Part:* and THE CORPORATION OF THE CITY OF OTTAWA, hereinafter referred to as "the Corporation," *of the Second Part:*

Whereas by Chapter Ten (10) of the Statutes of the year 1899, the Government provided for the annual payment of Sixty Thousand Dollars ($60,000.00) for Ten (10) years from July 1st, 1899, to the Ottawa Improvement Commission, for the purpose of building parks and driveways, and otherwise beautifying the City of Ottawa; and whereas, by Chapter 45 of the Statutes of 1903, provision was made for the annual payment of the said sum of Sixty Thousand Dollars ($60,000.00) for a period not exceeding Twenty (20) years from the First day of July, 1899; and whereas by Chapter 45 of the Statutes of 1910, the annual payment for such purpose was increased to the sum of One Hundred Thousand Dollars ($100,000.00) from July 1st, 1909, up to the 1st day of July A.D. 1919; and whereas the Parliament of Canada, at its first session of the year 1919 did grant the sum of One Hundred and Fifty Thousand Dollars ($150,000.00) to the said Ottawa Improvement Commission, for a further term of Ten (10) years from the 1st day of July, 1919; and whereas, under certain Orders-in-Council passed respectively on the 21st day of December, 1883, the 11th day of January, A.D. 1885, and the 17th day of June, 1885, and by certain By-laws passed by the Corporation on the 10th day of August, 1885, the 2nd day of October, 1899, the 14th day of July, 1910, and the 18th day of September, 1916, and known respectively as Numbers 607, 1956, 3066 and 4274 of the By-laws of the said Corporation, and by the provisions of the said Statutes of the years 1899, 1903 and 1910, certain agreements were entered into between the Government and the Corporation respecting the maintenance by the Government of certain streets, bridges, sidewalks, pavements and other works in the City of Ottawa, which Agreements have continued down to the present time; and whereas it has been deemed advisable by the Government and the Corporation that a new agreement be made and that the terms of all agreements made under and by virtue of said Statutes, Orders-in-Council and By-laws, in so far as the same are inconsistent with the provisions of such agreement be cancelled; Now

THEREFORE, THIS AGREEMENT WITNESSETH:—

1. That the Government will pay to the Corporation the sum of Seventy-five Thousand Dollars ($75,000.00) annually for a period of Five (5) years, from the First day of July, A.D. One Thousand Nine Hundred and Nineteen, said payments to be made quarterly, the amount due including the current quarterly payment to be paid as soon as may be after the passing of an Act confirming this Agreement, and the remaining quarterly payments to be made on the First day of the months of October, January, April and July in each year, during the said period, the last of such payments to be made on the First day of April, A.D. 1924. The said payments shall be in full satisfaction and discharge of all claims and demands on the Government, by and on the part of the Corporation, except as otherwise provided in this Agreement.

2. (a) The Government will pay to the Corporation for a supply of water from the Waterworks of the Corporation, for use in and on all buildings, and parts of buildings, lands and premises in the City of Ottawa, now or hereafter owned or occupied by the Government, at any time during the period of Five (5) years from the First day of July, A.D. 1919 (except buildings, parts of buildings, lands and premises leased by the Government and subject to the general water rates established by By-law of the Corporation hereinafter referred to), and also for use in and on the Rideau Hall grounds and the Central Experimental Farm, and the buildings thereon, at the price or rate of Thirteen (13) cents per Thousand (1,000) gallons for such quantity of water as it may use in any year up to Two Hundred Million (200,000,000) gallons, and for water used in excess of Two Hundred Million (200,000,000) gallons in any year, at the price or rate of Ten (10) cents per thousand (1,000) gallons. It is also agreed that water rates shall be paid the Corporation in respect of all buildings and parts of buildings, and in respect of all premises leased by the Government, as to which the Government is under obligation by the terms of their lease to make payment of water rates, at the general rate from time to time established by the Waterworks By-law of the Corporation; but in no case shall the Government be required to pay on the same property in both the ways above recited, or partly in one way and partly the other, and no special By-law or special provisions of any By-law relating to water or otherwise shall in any way affect this agreement.

(b) The Corporation will install and maintain water meters at all convenient places where a supply of water is taken from its Waterworks for the use of the Government, in and on all such buildings, lands and premises, and the Government will pay the Corporation annually a sum equal to Ten (10) per centum of the cost of such meters.

The amount payable by the Government in each year for water shall be determined by readings taken from the said meters at quarterly intervals, and shall be payable quarterly at the office of the Collector of Taxes of the Corporation, without discount, during the continuance hereof. The Government will pay the Corporation for such quantity of water supplied to it, on and after the 1st day of July, 1919, and prior to the installation of meters as would equal the quantity supplied to it for a like number of days next after the installation of such meters.

(c) In consideration of the said annual payments of Seventy-five Thousand Dollars ($75,000.00), and of the grant to the Ottawa Improvement Commission of One Hundred and Fifty Thousand Dollars ($150,000.00), a year for Ten (10) years, the Corporation agrees that the payment of the said sum of Seventy-five Thousand Dollars ($75,000.00) annually to the Corporation shall be in full payment, satisfaction and discharge of all claims and demands, by or on the part of the Corporation on the Government, in respect of water supplied for street sprinkling, for fire protection by the Corporation to any of the buildings or premises owned or occupied by the Government, and for use in Major's Hill Park, and in such other parks and driveways as may be owned or maintained by the Ottawa Improvement Commission, provided that, for sprinkling purposes, such use shall be restricted to the hours fixed by the City, namely, from 5.00 a.m. to 8.00 a.m. and 5.00 p.m. to 8.00 p.m.

3. That the Government shall and will maintain, repair and keep in repair the substructure, superstructure, pavements and walks of the bridge over the Rideau Canal known as Connaught Place, formerly consisting in part of Dufferin and Sapper's Bridges, also the Laurier Avenue Bridge over the Rideau Canal, and the bridges over the Chaudiere Slides, in the City of Ottawa, and will maintain, repair and keep in repair the sidewalks on the east side of Elgin Street and on the south side of Laurier Avenue in front of and along the side of Cartier Square.

4. The Government shall maintain and repair good and sufficient sidewalks on the northern side of that portion of Wellington Street between Connaught Place and the western boundary of the Perley Home property, and on so much of the southern side of the said street as is in front of property owned by the Government, and shall maintain and keep in repair the roadway, as it now exists, of the portion of Wellington Street which lies between Connaught Place and Bank Street, and shall maintain, repair and keep in repair, and from time to time renew and replace the existing asphalt pavement on that part of the said street which lies between Bank Street and the westerly boundary of the

Perley Home property; and should it be deemed desirable that a new pavement be hereafter placed on that part of Wellington Street which lies East of Bank Street such work shall be done by the Corporation in the same manner as similar works are done in other portions of the City, nothing herein contained to be construed as releasing property holders on the said portion of Wellington Street from any obligations imposed on them by law as regards payment of any taxes or local improvement rates in respect of their property on the said street, and all the provisions of a contract made between the same parties hereto, dated the seventh day of August, A.D. 1916, with regard to said Wellington Street are hereby incorporated in and made a part of this Agreement. The Government undertakes to indemnify and keep indemnified the Corporation from all manner of damage or injury suits, claims, and demands on account of the said works or incurred by reason or in consequence of the execution thereof, or the supply of material therefor, and that the Government will pay to the Corporation on demand any expense sustained by it in consequence of such claims or any money reasonably and properly paid by the Corporation in settlement thereof, save and except suits, claims and demands arising by reason of any thing done or omitted to be done by the Corporation, its agents, servants and workmen.

5. The Government further agrees to be subject to local improvement rates imposed by the Corporation under the provisions of *The Local Improvement Act, Ontario*, in the same way as other property owners, and the Corporation agrees that the Government shall have the same right as any other owner to petition for a local improvement, to petition against a local improvement, or to appeal from any improvement report.

6. The provisions of every Statute of Canada, Order-in-Council, By-law and agreement, whereby the Corporation in consideration of certain obligations undertaken or payments to be made, by the Government, agreed and was authorized to agree, to exempt from income tax, the incomes of officers and servants of the Government, resident in the City of Ottawa, derived from the Government, are hereby in so far as they may have any force or effect at this date, abrogated and cancelled and declared to be no longer binding on the Corporation.

The provisions of all former agreements between the said Government and the Corporation with respect to the subject-matters hereof, in so far as the same are inconsistent with the provisions of this Agreement, are hereby cancelled.

IN WITNESS WHEREOF this Agreement has been executed by the Mayor and the Clerk of the Corporation of the City of Ottawa, and the Seal of the said Corporation has been affixed thereto, and the Minister of Public Works of Canada has executed the same on behalf of His Majesty the King.

SIGNED, SEALED AND DELIVERED at the City of Ottawa on the day and year first above written

In the presence of
J. W. Pugsley
as to signature of the Acting Minister of Public Works.

W. P. Harrell
as to signature of the Secretary, Department of Public Works.

(Sgd.) J. D. Reid,
Acting Minister of Public Works.
(Sgd.) R. C. Desrochers,
Secretary.

SEAL OF THE DEPARTMENT

The Corporation of the City of Ottawa,
(Sgd.) Harold Fisher,
Mayor.
(Sgd.) Norman H. H. Lett, Clerk.

SEAL OF THE CITY

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 172.

An Act for granting to His Majesty aid for National Defence and Demobilization.

First reading, November 22, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

43098

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 172.

An Act for granting to His Majesty aid for National Defence and Demobilization.

Preamble.

WHEREAS Canada is at war with the German Reich, Roumania, Hungary, Finland and Japan but actual hostilities have ceased on all fronts due to the unconditional surrender of the Armed Forces of His Majesty's enemies; and whereas it is necessary that measures should continue to be taken for the common defence and security; and whereas it is also necessary to provide for the demobilization of the Canadian Forces; and to this end it is expedient that aid as hereinafter provided be rendered to His Majesty;

THEREFORE, His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

**1.** This Act may be cited as *The War Expenditure and Demobilization Appropriation Act, No. 2, 1945.*

Appropriation $1,365,000,000 less $400,000,000 voted under 1945, c. 2.

**2.** From and out of the Consolidated Revenue Fund there may be paid and applied, beyond the ordinary grants of Parliament, a sum not exceeding one billion, three hundred and sixty-five million dollars ($1,365,000,000), less the amount provided for by *The War Expenditure and Demobilization Appropriation Act, No. 1, 1945,* subject to allotment by Treasury Board, towards defraying any expenses or making any advances or loans that may be incurred or granted by or under the authority of the Governor in Council during the year ending the thirty-first day of March, 1946, for:—

*(a)* the security, defence, peace, order and welfare of Canada;

*(b)* the conduct of naval, military and air operations in or beyond Canada;

*(c)* the expeditious demobilization of the Canadian Armed Forces;

*(d)* promoting the continuance of trade, industry and business communications, whether by means of insurance or indemnity against war risk or in any other manner whatsoever; and

*(e)* the carrying out of any measure deemed necessary or advisable by the Governor in Council in consequence of the war,

and any moneys received as a refund or repayment of any advance, loan or expenditure made under the authority of *The War Appropriation Act, 1939, The War Appropriation Act, 1940, The War Appropriation Act, 1941, The War Appropriation Act, No. 1, 1942, The War Appropriation Act, No. 2, 1942, The Supplementary 1942 War Appropriation Act, The War Appropriation Act, No. 1, 1943, The War Appropriation Act, No. 2, 1943, The War Appropriation Act, No. 3, 1943, The War Appropriation Act, No. 1, 1944, The War Appropriation Act, No. 2, 1944, The War Appropriation Act, No. 1, 1945, The War Expenditure and Demobilization Appropriation Act, No. 1, 1945,* or this Act may, with the approval of the Governor in Council be re-expended, advanced or loaned for the purposes of this Act.

1939 (2nd sess.), c. 9.
1940, c. 3.
1940-41, c. 11.
1942-43, c. 9, 21.
1943-44, cc. 2, 5, 16, 32.
1944, cc. 6, 16.
1945, c. 2.

Government may act as agent.

**3.** (1) The Government of Canada may act as the agent of the Government of any British or foreign country allied with His Majesty for any purpose which, in the opinion of the Governor in Council, will aid directly or indirectly in the prosecution of the War, and any obligations or costs incurred temporarily or assumed by the Government of Canada in the exercise of the powers hereby conferred may be paid out of any unappropriated moneys in the Consolidated Revenue Fund.

Expenditures required by Government wholly-owned companies.

(2) Any expenditure required to be made by the Government of Canada under any contract for munitions of war and supplies entered into by the Government of Canada for the purpose of enabling any company wholly-owned by the Government of Canada to fulfil its obligations in respect of orders received by such company from the government of any British or foreign country allied with His Majesty may be paid out of any unappropriated moneys in the Consolidated Revenue Fund.

Loans authorized.

**4.** (1) The Governor in Council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by Parliament, by any Act heretofore passed, raise by way of loan, under the provisions of *The Consolidated Revenue and Audit Act, 1931,* by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money, not exceeding in the whole the sum of one billion, three hundred and sixty-five million dollars ($1,365,000,000), as may be required for the purposes of *The War Expenditure and Demobilization Appropriation Act, No. 1, 1945,* and of this Act.

1931, c. 27.

Charge on Consolidated Revenue Fund.

(2) The principal raised by way of loan under *The War Expenditure and Demobilization Appropriation Act, No. 1, 1945*, and this Act, and the interest thereon shall be a charge upon and payable out of the Consolidated Revenue Fund.

Orders and regulations.

**5.** (1) The Governor in Council may make, from time to time, such orders or regulations as may be deemed necessary to give effect to the purposes of *The War Expenditure and Demobilization Appropriation Act, No. 1, 1945*, and of this Act, and for greater certainty, but not so as to restrict the generality of the foregoing terms, the Governor in Council may, by order or regulation:—

*(a)* make provision for the appointment of temporary civil officers, clerks and employees and determine their rates of compensation and conditions of employment;

*(b)* determine the rates of pay and allowances of officers and men of the naval, military and air forces of Canada;

*(c)* prescribe administrative practices with respect to contracts and agreements for the execution of any public work or for the acquisition of lands, buildings, equipment, stores, materials and supplies by purchase or otherwise, for the use of the public service of Canada;

*(d)* provide for the utilization, control and disposal of equipment, materials and supplies; and

*(e)* prescribe administrative practices with respect to the making of financial commitments, the taking of security for the performance of contracts and agreements, and the recording and paying of accounts.

Power to vary orders and regulations.

(2) All orders and regulations of the Governor in Council made under *The War Expenditure and Demobilization Appropriation Act, No. 1, 1945*, and this Act shall have the force of law and may be varied, extended, or revoked by any subsequent order or regulation, but if any order or regulation is varied, extended or revoked neither the previous operation thereof nor anything duly done thereunder shall be affected thereby, nor shall any right, privilege, obligation or liability acquired, accrued, accruing or incurred thereunder be affected by any such variation, extension or revocation.

Accounting record of commitments.

**6.** Upon the Treasury Board making an allotment of any part of the one billion, three hundred and sixty-five million dollars ($1,365,000,000), granted by *The War Expenditure and Demobilization Appropriation Act, No. 1, 1945*, and this Act, to provide for the cost of any service, the Minister of Finance shall cause an accounting record to be maintained in a form that will disclose the financial commitments entered into and the expenditure made as a consequence of the allotment being provided for the service concerned.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 173.

An Act respecting the Department of Reconstruction and Supply.

First reading, November 22, 1945.

THE MINISTER OF MUNITIONS AND SUPPLY.

THE MINISTER OF RECONSTRUCTION.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

45482

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 173.

An Act respecting the Department of Reconstruction and Supply.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

SHORT TITLE.

Short title.

**1.** This Act may be cited as *The Department of Reconstruction and Supply Act, 1945.*

INTERPRETATION.

Definitions.

"Department."

"Minister."

**2.** In this Act, unless the context otherwise requires,

*(a)* "Department" means the Department of Reconstruction and Supply, and

*(b)* "Minister" means the Minister of Reconstruction and Supply.

DEPARTMENT OF RECONSTRUCTION AND SUPPLY.

Establishment of department.

**3.** (1) There shall be a Department of the Government of Canada which shall be called the Department of Reconstruction and Supply over which the Minister of Reconstruction and Supply for the time being appointed by the Governor General by Commission under the Great Seal of Canada shall preside.

Minister.

(2) The Minister shall have the administration and direction of the Department, and shall hold office during pleasure.

Salary.

(3) The salary of the Minister of Reconstruction and Supply shall be ten thousand dollars per annum.

Deputy Minister.

**4.** (1) The Governor in Council may appoint an officer who shall be called the Deputy Minister of Reconstruction and Supply and who shall be the deputy head of the Department and shall hold office during pleasure.

## Explanatory Notes.

The purpose of this Bill is to create a new Department under the name mentioned, to which will be transferred the functions of the Department of Reconstruction and the Department of Munitions and Supply.

Sections 1, 2 and 3 provide for the creation of the Department, its name and the title and salary of the Minister, and are in the usual form.

Section 4, ss. (1) authorizes the appointment of a Deputy Minister, and is in the usual form.

Officers, clerks, employees.

(2) Such other officers, clerks and employees as are necessary for the proper conduct of the business of the Department may be appointed or employed in the manner authorized by law, but the Minister may, with the approval of the Governor in Council, temporarily employ such technical or other assistants as he deems necessary, and, with such approval, fix the remuneration of and prescribe the travelling or other expenses which may be incurred by such assistants.

Organization.

R.S., c. 22.

**5.** (1) Notwithstanding the provisions of the *Civil Service Act* with respect to the organization of a department and the classification of positions therein, the Governor in Council may, on the recommendation of the Minister, make such orders and regulations as he may deem necessary for the immediate organization of the Department and the classification of positions therein, including the establishment of rates of compensation for each such class; and, notwithstanding the provisions of subsection two of section four of this Act, the Governor in Council may, on the recommendation of the Minister, in the first instance, by order, designate any person who prior to the coming into force of this section was an officer, clerk or employee in the Department of Munitions and Supply or the Department of Reconstruction to fill any position in the Department and upon such designation the said person shall be deemed to have been transferred to the Department on the date of the coming into force of this section, but no person shall, by reason only of such designation, be eligible to be certified as a permanent employee.

Appropriations.

(2) Wherever in any Appropriation Act for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-six, provision is made, based on Estimates for the fiscal year ending March 31, 1946, to defray expenses of the public service of Canada within the Department of Munitions and Supply or the Department of Reconstruction such provision and estimates shall be interpreted as applying to similar or other as well as like classifications of the public service within the Department of Reconstruction and Supply: Provided that where provision is made for more positions in the same classification than are created on the immediate organization of the Department of Reconstruction and Supply only one salary shall be paid to or drawn by any person holding a position in such classification so created.

Proviso.

Rights of civil servants transferred to department.

R.S., c. 22.

R.S., c. 24.

(3) Notwithstanding anything in the *Civil Service Act*, the *Civil Service Superannuation Act* or any other Act of the Parliament of Canada, a civil servant who is designated under subsection one of this section to fill a position in the Department and who immediately prior to the time at which he is deemed to be transferred to the Department

Ss. (2) provides for the appointment of officers, clerks and employees to the staff of the department in the usual manner, and provides also for the temporary employment of technical and other assistants with the approval of the Governor in Council.

Section 5 authorizes the Governor in Council—

*(a)* to make such orders and regulations as may be necessary for the immediate organization of the new Department, and

*(b)* in the first instance, to fill the new positions in the Department by the transfer of any or all of the present staff of the present Departments to similar or such other positions in the new Department as may be found necessary,

and provides for the continuance of rights under the *Civil Service Superannuation Act* for staff members who are contributors under that Act at the time of transfer to the new Department.

R.S., c. 24.

was a contributor under the *Civil Service Superannuation Act*, shall continue to be a contributor thereunder and his service under this Act shall be counted as service in the Civil Service for the purposes of the *Civil Service Superannuation Act*, and he, his widow and children or other dependents, if any, shall be eligible to receive the respective allowances or gratuities provided by the said Act; and in the event of his being retired from his office or position on the staff of the Department for any reason other than that of misconduct, he shall be eligible, in accordance with the regulations made under the *Civil Service Act*, for assignment to a position in the civil service of the class from which he was so retired or to any other position for which he may have qualified.

## Powers and Duties of the Minister.

Ministerial powers and duties.

**6.** The Minister shall have and may exercise and shall perform all and every of the rights, powers, duties, liabilities and functions which were, immediately prior to the coming into force of this section, by any Act, order or regulation, vested in, or required to be exercised or performed by, the Minister of Munitions and Supply or the Minister of Reconstruction.

Minister's powers over boards and other public bodies.

**7.** The rights, powers, duties, liabilities and functions of the Minister shall extend and apply to such boards and other public bodies, officers, subjects, services and properties of the Crown as may be designated or assigned to the Minister by the Governor in Council, over which the Minister shall have the control, regulation, management and supervision.

Transfer of other departments to department of Reconstruction and Supply.

**8.** Wherever in any Act of the Parliament of Canada heretofore or hereafter enacted or in any order or regulation made under the authority thereof or wherever under any contract, lease or other writing, it is provided that any right, power, duty, liability or function shall be vested in or exercised or performed by the Minister of Munitions and Supply or by the Minister of Reconstruction or by any officer of the Department of Munitions and Supply or of the Department of Reconstruction, such right, power, duty, liability or function shall be vested in and exercised and performed by the Minister of Reconstruction and Supply or by the appropriate officer of the Department or by such officer thereof as may be designated by the Minister, as the case may be, and wherever in any such Act, order, regulation, contract, lease or other writing, the Department of Munitions and Supply or the Department of Reconstruction, the Minister of Munitions and Supply or the Minister of Reconstruction, the Deputy Minister of Muni-

Section 6 confers and imposes on the Minister the powers, duties, etc. heretofore exercised and performed by the Minister of Munitions and Supply and the Minister of Reconstruction.

Section 7 is the usual section extending the powers, etc. of the Minister over such Boards, etc. as may be assigned to him by the Governor in Council.

Section 8 enables the Minister, Deputy Minister and officers of the new department to carry out the respective duties, etc. of the Minister, Deputy Minister and officers of the old departments under any statute, order, regulation, contract, lease or other writing.

tions and Supply or the Deputy Minister of Reconstruction is mentioned or referred to, there shall in each and every case be substituted the Department of Reconstruction and Supply, the Minister of Reconstruction and Supply and the Deputy Minister of Reconstruction and Supply, respectively.

AMENDMENTS.

**9.** (1) Paragraphs *(a)* and *(e)* of section two of *The Department of Munitions and Supply Act*, chapter three of the statutes of 1939 (2nd Session), as enacted by section one of chapter thirty-one of the statutes of 1940, are repealed and the following substituted therefor:—

Definitions. "projects."

"*(a)* "projects" means buildings, airdromes, airports, dockyards, roads, defence fortifications or other naval, military or airforce works and buildings, and roads, works and enterprises for industry or reconstruction as defined in *The Department of Reconstruction Act, 1944*, and includes the construction, erection, establishment, repair, improvement, maintenance and extension thereof;"

1944-45, c. 18.

"supplies."

"*(e)* "supplies" includes materials, equipment, ships, aircraft, automobile vehicles, animals, goods, stores and articles or commodities of every kind including, but without restricting the generality of the foregoing, anything which, in the opinion of the Minister, is, or is likely to be, necessary for or in connection with the production, storage or supply of any munitions of war or necessary for the needs of the Government or of the community in war or for reconstruction as defined in *The Department of Reconstruction Act, 1944*."

Repeal. "Defence projects."

(2) The words "defence projects" wherever they appear in *The Department of Munitions and Supply Act* or in any order or regulation made thereunder are repealed and the word "projects" is substituted therefor.

"projects."

**10.** Subsection one of section nine of *The Department of Munitions and Supply Act*, as enacted by section three of chapter thirty-one of the statutes of 1940, is amended by adding thereto the following paragraph:—

Returns.

"*(d)* any other matter relating to munitions of war or supplies produced, dealt in, stored or controlled by him, or which he has facilities for producing, dealing in, storing or controlling, or to any project carried out or being carried out by him, or which he has facilities for carrying out."

Section **9** is designed to empower the Minister to enter into contracts for reconstruction purposes, by substituting the word "projects" for "defence projects" in *The Department of Munitions and Supply Act*, and by appropriate changes in the definitions of "projects" and "supplies."

The present paragraphs are as follows:—

"*(a)* "defence projects" means buildings, airdromes, airports, dockyards, roads, defence fortifications or other naval, military or air force works and shall include the construction, erection, repair, improvement, maintenance or extension of such defence projects;

*(e)* "supplies" includes materials, equipment, ships, aircraft, automobile vehicles, animals, goods, stores and articles or commodities of every kind including, but without restricting the generality of the foregoing, anything which, in the opinion of the Minister, is, or is likely to be, necessary for or in connection with the production, storage or supply of any munitions of war or necessary for the needs of the Government or of the community in war."

Section **10.** Subsection (1) of section 9 of *The Department of Munitions and Supply Act* is as follows:—

"**9.** (1) The Minister may, by notice in writing, require any person producing, dealing in or having control of any munitions of war or supplies to make periodical and other returns at such times and containing such particulars as may be specified in the notice as respects—

*(a)* the stocks of munitions of war and supplies for the time being held by him and the quantities of same which by virtue of any contract are to be delivered by or to him and the date of delivery thereof;

*(b)* any contemplated purchase or other acquisition of munitions of war or supplies being made by him directly or indirectly from sources other than Canadian and the source thereof; and

*(c)* the facilities which he has available for producing such munitions of war and supplies or storing stocks thereof."

The amendment is designed to clarify the subsection above quoted, and assist the Minister in obtaining information necessary for the administration of the new Department.

The amendment to section 9 of *The Department of Munitions and Supply Act* will also clarify the application of section 10 of the said Act, which is as follows:—

"**10.** Where a government department or any person or body of persons has by virtue of any Act or Order in Council power to obtain for any purpose, information as to matters with respect to which the Minister is empowered to require returns to be made,

**11.** Subsections one to five, inclusive, of section thirteen of *The Department of Munitions and Supply Act*, as enacted by section seven of chapter eight of the statutes of 1943-44, are repealed and the following substituted therefor:

"**13.** (1) In this section,

"supply contract." *(a)* "supply contract" means a contract, including a sub-contract, entered into on or after the ninth day of April, 1940, or entered into but not fully performed and completed before the said day,

(i) to manufacture, produce, finish, assemble, transport, repair, maintain, service, store or deal in or which in any way relates to munitions of war or supplies; or

(ii) to construct or carry out or which in any way relates to a project;

"sub-contract." *(b)* "sub-contract" includes any contract or arrangement

(i) to perform all or any part of the work or service, or to make or furnish any article or material, for the performance of any other supply contract; or

(ii) under which any amount payable is contingent upon the entry into of any other supply contract or determined with reference to any amount payable under or otherwise by reference to any other supply contract; or

(iii) under which any part of the services performed or to be performed consists of soliciting, attempting to negotiate or negotiating any other supply contract; and

"contract." *(c)* "contract" includes sub-contract.

Cost accounts. (2) Any person who has entered into a supply contract shall keep detailed accounts and records of the cost of carrying out the said contract and shall, on demand, produce to any person thereunto authorized by the Minister, every account, record or document of any description with respect to the said contract and with respect to his other business that may be required by the person so authorized and shall permit him to examine, audit and take copies of and extracts from the said accounts, records or documents.

Fair and reasonable cost and profit. (3) If the Minister is satisfied either before or after the performance, in whole or in part, of a supply contract, that the total amount paid or payable thereunder to any person is in excess of the fair and reasonable cost of performing the said contract together with a fair and reasonable profit, he may by order reduce the amount that the said person is entitled to retain or receive thereunder to such amount as he may fix as the fair and reasonable cost of performing the said contract together with a fair and reasonable profit thereon and the Minister may direct the said person to pay to the Receiver General of Canada forthwith any amount which the said person has received under the said contract in excess of the amount so fixed.

Excess repayable.

*(a)* that department, person or body shall, if so required by the Minister exercise that power for the purpose of assisting the Minister in obtaining any such information, and

*(b)* any such information obtained by that department, person or body, whether upon a requisition of the Minister or otherwise, may, notwithstanding anything in any other enactment, enacted before this subsection came into force, be furnished to the Minister."

Section **11** replaces subsections (1) to (5) inclusive of section 13 of *The Department of Munitions and Supply Act*, which are as follows:—

"**13.** (1) In this section "munitions contract" means a contract, including a subcontract, to manufacture, produce, finish, assemble, transport, repair, maintain, service, store or deal in munitions of war or supplies or to construct or carry out a defence project.

(2) Every person who has entered into a munitions contract shall keep detailed accounts and records of the cost of carrying out the same and shall, on demand, produce to any person thereunto authorized by the Minister, every account, record or document of any description in respect to such contract required by such person and shall permit him to examine, audit and take copies of or extracts from the same.

(3) If the Minister is satisfied that the accounts or records kept by a person who has entered into a munitions contract are insufficient to enable the cost of carrying out the same to be determined, the Minister may by order reduce the total amount paid and payable to such person under the contract to an amount which, in the opinion of the Minister, represents the fair and reasonable cost of carrying out the contract plus a fair and reasonable profit and the Minister may direct such person to pay to the Receiver General of Canada forthwith any amount which such person has received under the contract in excess of the amount fixed by the Minister.

(4) If the Minister is satisfied, upon an examination of the accounts and records of a person who has entered into a munitions contract, that the contract price paid and payable to such person contains an unreasonable profit, he may direct such person to renegotiate the contract price and may direct that there be withheld from such person any amount of the contract price which in the opinion of the Minister represents an unreasonable profit, and may direct such person to pay to the Receiver General of Canada forthwith any amount which such person has received which in the opinion of the Minister represents an unreasonable profit.

Person holding two or more contracts.

(4) If any person is a party to two or more supply contracts the Minister may

*(a)* by one order reduce the total amount that the said person is entitled to retain or receive under any two or more or all of the said contracts to such amount as he may fix as the fair and reasonable cost of performing the said contracts together with a fair and reasonable profit thereon; or

Amount payable to contractor in a designated period.

*(b)* by order fix the amount that the said person is entitled to retain or receive in respect of supply contracts during such period as may be designated by the Minister as the fair and reasonable cost of performing the said contracts together with a fair and reasonable profit thereon during the said period, and, if the said person has during the said period carried on business other than the performance of supply contracts the Minister may, for the purpose of determining the fair and reasonable cost of performing supply contracts, or the fair and reasonable profit thereon, during the said period, determine the share or part of the gross income of the said person, or of the costs incurred by him, during the said period that is to be regarded as being attributable to such other business;

Excess repayable.

and the Minister may direct the said person to pay to the Receiver General of Canada forthwith any amount which the said person has received under the said contracts or in respect of supply contracts during the said period in excess of the amount so fixed in respect thereof.

Gross income.

(5) Notwithstanding anything in this section contained, the gross income from any business other than the performance of supply contracts carried on by any person during any period designated by the Minister for the purposes of subsection four of this section, shall not, unless the Minister in his discretion otherwise specifically determines, be deemed to be greater than the gross income from the business carried on by the said person during the last period of like duration included in the standard period of such person as defined in or designated under *The Excess Profits Tax Act, 1940.*

1940, c. 32.

Accounts or records where insufficient to determine cost of performance.

(5A) If the Minister is satisfied that the accounts or records kept by any person with respect to the performance of any supply contract, or of supply contracts during any period designated by the Minister under subsection four of this section, are insufficient to enable the cost of performance of the said contract or contracts to be determined, or that the said cost as shown by the said accounts or records is not fair and reasonable, he shall not be limited or bound by the said accounts or records in fixing the fair and reasonable cost of performance of the said contract or contracts."

(5) Where a person has entered into a munitions contract on or after the ninth day of April, nineteen hundred and forty, which provides in effect that such person shall be paid the cost of carrying out the contract or any part thereof with or without a profit or fee, or that the price or prices specified in the contract may be adjusted or reduced to an amount which represents the cost of the work or service to be carried out or rendered under the contract plus a fair and reasonable profit and any part of the work or service is carried out or rendered by any other person (in this subsection called a "subcontractor"), the Minister may, if he is satisfied either before or after the performance of the contract that the total amount paid and payable to the subcontractor for the work carried out or the service rendered by the subcontractor is in excess of the fair and reasonable cost thereof plus a fair and reasonable profit, by order reduce the total amount paid and payable to the subcontractor for such work or service to an amount which the Minister may fix as the fair and reasonable cost of the work or service plus a fair and reasonable profit, and he may direct the subcontractor to pay to the Receiver General of Canada forthwith any amount which he has received for the work or service in excess of the amount so fixed."

The new subsections are designed

*(a)* to clarify the definitions of the contracts and sub-contracts which may be the subject of renegotiation, and in particular to make it clear that contracts under which commissions might be payable in respect of war contracts are within the scope of the section;

*(b)* to establish uniformity of procedure in the renegotiation of prime contracts and sub-contracts;

*(c)* to permit renegotiation of groups of contracts or on the basis of accounting periods, thus permitting "averaging" of profits in proper cases, and very greatly facilitating the work of renegotiation;

*(d)* to establish the "standard period" of the contractor as normally indicating the maximum amount of the contractor's gross receipts which is to be regarded as attributable to his civilian business.

**12.** (1) Subsection one of section twenty-two of *The Department of Munitions and Supply Act*, as enacted by section eleven of chapter eight of the statutes of 1943-44, is repealed and the following substituted therefor:

Inquiries.

"**22.** (1) The Minister may, whenever he deems it expedient, cause an inquiry to be made into and concerning any matter relating to or incidental to or arising out of any supply contract as defined in section thirteen of this Act or any group or series of such supply contracts or any dealings in or with munitions of war or supplies, and may appoint a person or persons by whom the inquiry shall be conducted."

(2) Subsection three of section twenty-two of *The Department of Munitions and Supply Act*, as enacted by section eleven of chapter eight of the statutes of 1943-44, is repealed and the following substituted therefor:

Investigator's powers.

R.S., c. 99.

"(3) An investigator shall have all the powers conferred on commissioners by sections four and five of the *Inquiries Act* or which may be conferred on commissioners under section eleven thereof and may in writing authorize any Royal Canadian Mounted Police officer or constable, or any police officer or constable or other person employed for the preservation and maintenance of the public peace, together with any other person named in such writing, to enter and search, if necessary by force, any building, receptacle or place, for books, records, documents or things which may contain or give information required for the purposes of the inquiry, and to seize any books, records, documents or things and carry them before the investigator or such other person as the investigator may direct, to be held at the discretion of the investigator for the purposes of the inquiry."

REPEAL AND COMMENCEMENT.

Repeal.

**13.** (1) Section three, and section four of *The Department of Munitions and Supply Act*, as amended by section one of chapter eight of the statutes of 1943-44, and section three of *The Department of Reconstruction Act, 1944*, chapter eighteen of the statutes of 1944-45, are repealed.

Continued operation of repealed sections.

(2) Nothwithstanding the repeal of the enactments referred to in subsection one of this section or anything contained in this Act the said enactments shall be deemed to continue in operation for the purpose of the continued employment in the Department of Munitions and Supply and the Department of Reconstruction of any person who is not designated under this Act to fill a position in the Department of Reconstruction and Supply

Section **12** is designed to replace subsections (1) and (3) of section 22 of *The Department of Munitions and Supply Act*, which read as follows:—

"**22.** (1) The Minister may, whenever he deems it expedient, cause an inquiry to be made into and concerning any matter relating to or incidental to a contract for the manufacture or production of munitions of war or supplies or for the construction or carrying out of a defence project, and may appoint a person or persons by whom the inquiry shall be conducted.

(3) An investigator shall have all the powers of a commissioner under Part I of the *Inquiries Act*."

The proposed new subsections are intended

*(a)* to clarify the scope of the section;

*(b)* to cover situations where it might not be apparent at the outset of an investigation what specific supply contracts were involved;

*(c)* to make it clear that an investigator may employ professional and technical assistance, which has been found often to be essential, and

*(d)* to enable the investigator to take prompt steps where there is reason to believe that delay may permit the destruction or concealment of evidence."

Section **13.** This section repeals the provisions of *The Department of Munitions and Supply Act* and of *The Department of Reconstruction Act* which relate to the organization of the old departments, and which will become unnecessary with the coming into force of the new Act, but provides for employees of the old departments who are not transferred to the new Department completing their reports, etc. up to the time of dissolution of those departments, and being granted annual leave where eligible therefor.

*(a)* to whom, but for the repeal of the said enactments, annual leave might be granted under the *Civil Service Act* and the regulations thereunder, for the period of such leave of absence as might have been granted to him under the said Act and regulations immediately prior to the coming into force of this section; or

*(b)* who is designated by the Minister as a person whose continued employment is necessary for the winding-up of the administration of either of the said departments, for a period not exceeding sixty days or, where the continued employment of the said person is also authorized under paragraph *(a)* of this subsection, for a period not exceeding sixty days together with the period of the leave of absence referred to in the said paragraph.

Coming into force.

**14.** This Act in whole or in part shall come into force on a date or dates to be fixed by proclamation of the Governor in Council.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 176.

An Act to amend The War Service Grants Act, 1944.

First reading, November 23, 1945.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
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1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 176.

An Act to amend The War Service Grants Act, 1944.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section two of *The War Service Grants Act, 1944*, chapter fifty-one of the statutes of 1944, is repealed and the following substituted therefor:—

"**2.** In this Act, unless the context otherwise requires,

"Board". *(a)* "Board" means the Board of Review established by this Act;

"business". *(b)* "business" includes trade, industry or profession;

"credit". "re-establishment credit." *(c)* "credit" and "re-establishment credit" mean the credit provided for under Part II of this Act;

"dependents' allowance". *(d)* "dependents' allowance" means the marriage allowance and dependents' allowances prescribed by regulations made by the Governor in Council pursuant to the *Naval Service Act*, *The Naval Service Act, 1944*, the *Militia Act* or *The Royal Canadian Air Force Act*, as the case may be;

R.Sc., c. 139. 1944-45. c. 23. R.S., c. 132. 1940, c. 15.

"discharge". *(e)* "discharge" means ceasing to serve on active service in the forces since the tenth day of September, one thousand nine hundred and thirty-nine, and "discharged" has a corresponding meaning;

"discharged."

"deceased member". *(f)* "deceased member" includes a member of the forces who for the purposes of the force in which he served is officially presumed to have died;

"forces". *(g)* "forces" means the naval, military, or air forces of His Majesty raised in Canada;

"gratuity" *(h)* "gratuity" and "war service gratuity" mean the gratuity payable under Part I of this Act;

EXPLANATORY NOTES.

Vertical lines or underlining indicates new words added.

**1.** "SECTION 2."

*(a)* Derives from para. 15(2) of P.C. 9440 of 19th December, 1944.

*(b)* Re-defined on recommendation of Parliamentary Committee.

*(e)* New in part—intended to clarify date from which "on active service" commences. See para. 3 of P.C. 9440.

*(f)* intended to provide evidence on which gratuity may be paid to those entitled. See para. 8(4) of P.C. 9440.

"home". (*i*) "home" means a house or building intended for human habitation and owned solely by the member or his spouse or jointly by him and his spouse and used or to be used by the member as his dwelling, together with the land upon which it is situated, including, in the case of a farm, land used therewith for the purpose of farming;

"member of the forces". (*j*) "member" and "member of the forces" mean any person who was on service in the forces during the war which commenced in September, one thousand nine hundred and thirty-nine, and include any person who served in the Canadian Women's Army Corps since the thirteenth day of August, one thousand nine hundred and forty-one;

"Minister". (*k*) "Minister" means the Minister of Veterans Affairs;

"misconduct". (*l*) "misconduct" includes

U.K. Acts. (i) the commission of an offence under the *Naval Discipline Act*, the *Army Act* or the *Air Force Act*, of which the member was convicted by a court-martial, including in the case of naval forces, a disciplinary court or of which he was found guilty upon summary disposition of the charge;

(ii) the commission of an offence of which the member was convicted by a court of competent jurisdiction;

(iii) such misconduct as might, in the case of an officer, result in his removal from the forces;

"overseas service". (*m*) "overseas service" means any service involving duties required to be performed outside of the Western Hemisphere, and includes service involving duties required to be performed outside of Canada and the United States of America and the territorial waters thereof in aircraft or anywhere in a ship or other vessel, service in which is classed as "sea time" for the purpose of advancement of naval ratings, or which would be so classed were the ship or other vessel in the service of the naval forces of Canada;

"pay and allowances". (*n*) "pay and allowances" includes dependents' allowance together with all other allowances calculable and payable on a daily basis except

(i) kit upkeep allowances;

(ii) underclothing allowances;

(iii) travelling allowances;

(iv) lodging and provisional allowance or subsistence allowance as the case may be in excess of the standard rates payable in Canada at the date of discharge;

(v) any special allowance payable overseas but not payable in respect of service in Canada;

*(i)* Intended to indicate home to be used as member's dwelling and to extend meaning to include a home owned by the member, or by the member's spouse, or by the member and his spouse jointly. See P.C. 5802 of 30th August, 1945.

*(j)* New in part—intended to clarify date from which C.W.A.C. personnel on service in the armed forces. See P.C. 55/1111 of 21st February, 1945.

*(l)* New—the expression "misconduct" defined for clarification. See para 14 of P.C. 9440.

*(m)* New in part—expression "sea-going ship of war" extended to include a ship not of the naval forces. See para. 4 of P.C. 9440.

*(n)* "pay and allowances" included in definition section for clarity, being taken from section six of the Act which section is being repealed. See para. 10(1) of P.C. 9440.

"purchase of a business".

(*o*) "purchase of a business" includes the purchase of an interest in an existing partnership and the advance of capital for a new partnership, if the partnership business is to be the main occupation of the member and he intends to participate actively in that business;

"service".

(*p*) "service" means time served on active service in the forces

(i) while enlisted or obligated to serve without territorial limitation; or

(ii) in the Aleutian Islands, the United Kingdom or the European or the Mediterranean operational theatres; or

(iii) while proceeding from Canada to any of the places mentioned in clause (ii) of this paragraph or returning from any of the said places to Canada;

"Western Hemisphere".

(*q*) "Western Hemisphere" means the continents of North and South America, the islands adjacent thereto and the territorial waters thereof, including Newfoundland, Bermuda and the West Indies, but excluding Greenland, Iceland and the Aleutian Islands."

**2.** Section three of the said Act is repealed and the following substituted therefor:

Gratuity payable to member of the forces.

"**3.** (1) Subject to the provisions of this Act, every member of the forces shall, upon discharge, be entitled to be paid a war service gratuity at the rate of seven dollars and fifty cents for every completed period of thirty days of service, and an additional sum of twenty-five cents for every day of overseas service which falls within such periods.

Pay and allowances, supplement gratuity.

(2) In addition to the amounts mentioned in subsection one of this section, every member of the forces whose service includes overseas service shall, upon discharge, be entitled to be paid for each period of one hundred and eighty-three days of overseas service and proportionately or any less period, an amount computed on the basis of seven days' pay and allowances that were payable to or in respect of him at the date of discharge.

Posting of member for discharge.

(3) Where a member is posted from an establishment, unit or ship for discharge purposes and his pay and allowances are reduced as a result of such posting the pay and allowances received by him immediately prior to such posting shall be used for the purpose of computing the amount paid to him under subsection two of this section.

"pay and allowances".

(4) For the purposes of this section the expression "pay and allowances" includes

(*a*) in the case of a member of the naval forces, lodging and provision allowance; and

*(o)* Intended to provide for the purchase of an interest in a partnership and advance of capital for entering into a new partnership. See P.C. 5802 of 30th August, 1945.

*(p)* New in part—intended to extend territorial area of active service to include personnel called up under N.R.M.A. See P.C. 792 of 6th February, 1945.

**2.** "SECTION 3."

S.s. (1) Intended to clarify basis of computing gratuity. See para. 5 of P.C. 9440.

S.s. (2) Intended to clarify period of overseas service and changing "six months" to one hundred and eighty-three days. See para. 9 of P.C. 9440.

S.s. (3) Intended to provide against loss of pay and allowances on posting for discharge. See para. 19(2) of P.C. 9440.

S.s. (4) Inserted for clarification. See para. 11 (3) of P.C. 9440.

*(b)* in the case of a member of the military or air forces, subsistence allowance at the standard rates payable in Canada;

notwithstanding that at the date of his discharge he was not receiving such allowances.

Period of overseas service.

(5) A period of overseas service shall be deemed to commence on the day the member is posted to the strength of an overseas unit, establishment, or ship and to conclude on the day he is taken on strength from overseas.

Period of temporary duty overseas.

(6) A period of temporary duty overseas shall be deemed to be a period of overseas service and to commence on the day of proceeding from the parent unit, establishment or ship and to conclude on the day of the return thereto.

Determination of dates of posting.

(7) In the case of naval forces the date shown on the certificate of service and on the list of official appointments shall be used for the purpose of this section in determining the dates of posting to and from His Majesty's Canadian ships and establishments with respect to any former member."

**3.** Section four of the said Act is repealed and the following substituted therefor:

Payment of gratuity in case of death of member of the forces.

"**4.** (1) If a member of the forces dies on service or after discharge but before he has been paid gratuity in full, payment of the gratuity or the unpaid balance thereof shall be made:

*(a)* to a person who was in receipt of or who, in the opinion of the Dependents' Allowance Board, was eligible for dependents' allowance on behalf of the deceased member immediately prior to the member's death or discharge;

*(b)* to a person, who, in the opinion of the Dependents' Allowance Board would have been eligible for dependents' allowance on behalf of the deceased member immediately prior to the member's death or discharge had such person not been a member of the forces; or

*(c)* to a person who, in the opinion of the Minister or such authority as he may designate, was dependent in whole or in part upon a deceased member and to whom pay was assigned by such member immediately prior to the member's death or discharge.

Payment of gratuity to more than one person.

(2) Where more than one person is entitled to payment of the gratuity under this section the Minister may direct that the gratuity be paid to any one of such persons or divided among them in such manner as he may determine.

Payment of gratuity to authorized person for use of member.

(3) The Minister may authorize any person to receive payment of the gratuity on behalf of the person entitled thereto under subsection one or subsection two of this

S.s. (5) Intended to clarify commencement and conclusion date of period of overseas service. See para. 5 of P.C. 9440.

S.s. (6) Intended to indicate a period of temporary duty overseas being deemed a period of overseas service and time of commencement and conclusion of such period.

**3.** "SECTION 4."

S.s. (1) Paragraphs *(a)*, *(b)* and *(c)* of this subsection are new and intended to clarify to whom payment of gratuity shall be made if a member dies on service or after discharge.

S.s. (2) Redraft of part of Section 4 of Act.

S.s. (3) Redraft of remainder of Section 4 of Act.

section and to utilize the gratuity for the benefit of the person entitled thereto in such manner as the authorized person in his discretion may determine.

Gratuity forming part of service estate of deceased member.

(4) Where no person qualifies to receive payment of the gratuity or any unpaid balance thereof under this section in respect of a deceased member, the gratuity or the unpaid balance thereof shall form part of and be comprised in the deceased member's "service estate" as that expression is defined in subsection two of section seven of the *Department of National Defence Act.*

R.S., c. 136, 1940, c. 9.

On death of person qualified, gratuity to service estate.

(5) Where a person who was qualified to receive payment of a gratuity or any part thereof under this section dies before payment thereof or before payment thereof in full the gratuity or that part thereof payable to him or any unpaid balance thereof shall not be paid to the estate of such person but shall be paid to such other person as may be entitled thereto in accordance with the provisions of this Act and if no other person is so entitled, shall form part of and be comprised in the deceased member's service estate in accordance with the provisions of subsection four of this section."

**4.** Section five of the said Act is repealed and the following substituted therefor:

Deductions from gratuity.

"**5.** (1) Pursuant to regulations of the Governor in Council in that behalf there may be deducted from the war service gratuity

*(a)* overpayments of pay and allowances, other than dependents' allowance but including assigned pay, as follows:

(i) pay or allowances issued to or on account of a member at rates in excess of those authorized by the appropriate naval, military or air force financial regulations;

(ii) pay or allowances issued to or on account of a member that, having regard to his naval, military or air force status at the date of issue, were not authorized by the appropriate naval, military or air force financial regulations; and

(iii) advances of travel allowances not accounted for by a member at the time of payment of the gratuity, or any portion thereof, to or in respect of such member;

*(b)* overpayments of dependents' allowance as follows:

(i) any overpayment which the Dependents' Allowance Board has ordered to be recovered from a member upon a finding, concurred in by the Judge Advocate General, that such member was guilty of wilful misrepresentation or fraud;

S.s. (4) Intended to ensure that gratuity shall form part of member's service estate where no person qualifies to receive payament. See P.C. 2239 of 4th April, 1945.

S.s. (5) Intended to ensure gratuity shall form part of service estate where person qualified to receive payment of gratuity dies before payment thereof in full and there is no other person entitled to receive payment. See P.C. 3857 of 29th May, 1945.

**4.** "SECTION 5."

S.s. (1) Specifies deductions which shall be made from gratuity as a result of over-payments. A redraft in part of Section 5 of Act and includes provisions of P.C. 450 of 23rd January, 1945.

(ii) where the gratuity, by reason of the death of the member to whom it was payable, becomes payable in whole or in part to a dependent, any overpayment which the Dependents' Allowance Board has found, with the concurrence of the Judge Advocate General, to have been made to such dependent as a result of wilful misrepresentation or fraud by the member of the dependent.

*(c)* such other payments of pay and allowances made to or on account of a member, or to his dependents, as the Governor in Council may authorize.

Reimbursement to other person who pays amount of deduction.

(2) Any amount deducted from the gratuity pursuant to subsection one of this section shall, to the extent that His Majesty has previously been reimbursed in respect of the overpayment by any person other than the member to or on account of whom the overpayment was made, be paid over to that person.

1932, c. 18.

(3) The provisions of the Act entitled "An Act respecting debts due to the Crown", chapter eighteen of the statutes of 1932, shall not apply to a gratuity."

Repeal.

**5.** Section six of the said Act is repealed.

Manner of payment of gratuity.

**6.** Section seven of the said Act is repealed and the following substituted therefor:

"**6.** (1) Payment of war service gratuity to a member of the forces shall be made in monthly instalments payable in arrear not exceeding the amount of pay and allowances, including dependents' allowance, paid to or in respect of such member for the thirty days immediately preceding his discharge, unless as a result of a posting from an establishment, unit or ship for discharge purposes, his pay and allowances are reduced, in which case no instalment shall exceed the pay and allowances including dependents' allowance in issue to such member for the thirty days immediately preceding such posting and including also, in the case of a member of the naval forces, lodging and provision allowance, and in the case of a member of the military or air force, subsistence allowance at the standard rates payable in Canada, notwithstanding that at the date of discharge he was not receiving such allowances

(2) For the purposes of this section the pay and allowances, including dependents' allowance, in issue for the thirty days immediately preceding discharge or for the thirty days immediately preceding the posting of the member from an establishment, unit, or ship for discharge purposes, as the case may be, shall be deemed to be the

S.s. (2) Intended to provide reimbursement to any person other than the member who pays Crown the over-payments previously deducted from member's gratuity. See para. 4 of P.C. 450.

S.s. (3) See para. 6 of P.C. 450.

**5.** "SECTION 6."
This section of the Act repealed—the provisions thereof being embodied in section 3 above.

**6.** "SECTION 6."

S.s. (1) Intended to clarify the manner of payment of gratuity by inserting the words "thirty days" in place of "month". See para. 11 (1) of P.C. 9440.

S.s. (2) Intended to clarify manner of computation of pay and allowances. See para. 11(2) of P.C. 9440.

equivalent of the daily rate in issue for the last day of either of such thirty day periods multiplied by thirty."

**7.** Section eight of the said Act is repealed and the following substituted therefor:

Re-establishment Credit.

"**7.** Subject to the provisions of this Act, every member of the forces who does not elect to take benefits under *The Veterans' Land Act, 1942*, except section thirteen thereof, or any educational, vocational or technical training benefits which are provided out of moneys appropriated by Parliament, other than such similar benefits as may be available to a former member under the provisions of *The Department of Veterans Affairs Act*, shall, in order to assist in his re-establishment, be eligible, in addition to the war service gratuity, for a re-establishment credit in an amount equal to the total amount payable to him under subsection one of section three of this Act."

1942-43, c. 33.

1944, c. 19.

**8.** The said Act is amended by adding thereto immediately following section seven thereof the following section:

Conditions of availability of re-establishment credit.

"**8.** No credit shall be made available to a member unless the member is resident in Canada and the Minister is satisfied that the credit will be used for one or more of the purposes specified in section nine of this Act and for the re-establishment of the member in Canada:

Proviso.

Provided, however, that this section shall not apply in the case of a member who desires to use re-establishment credit for the payment of premiums under *The Veterans Insurance Act* or *The Returned Soldiers' Insurance Act*, or for the payment of the purchase price of an annuity purchased by him under the *Government Annuities Act*, and the Governor in Council may by regulation order such further exceptions to this section as may be deemed advisable."

1944, c. 49.

1920, c. 54.

1927, c. 7.

**9.** Section nine of the said Act is repealed and the following substituted therefor:

Purposes for and time within which available.

"**9.** (1) All or any part of the re-establishment credit may, within a period of ten years from the first day of January, one thousand nine hundred and forty-five, or the date of his discharge, whichever is the later, be made available to or for the member of the forces eligible therefor when it is shown to the satisfaction of the Minister that such credit is to be used for:

*(a)* the acquisition of a home

(i) under *The National Housing Act, 1944*, in an amount not exceeding two-thirds of the difference between the lending value of the home and the amount of the loan made under that Act; or

1944, c. 46.

(ii) not under *The National Housing Act, 1944*, in an amount not exceeding two-thirds of the difference

1944, c. 46.

**7.** "SECTION 7."

New part intended to provide that the cost of such benefits as are available under the treatment regulations are not charged against the re-establishment credit. See para. 3 of P.C. 165.

**8.** "SECTION 8."

Amended to indicate conditions under which credit made available to residents in Canada and also non-residents. The extension of availability of credit to non-residents as may be provided by Order in Council recommended by Parliamentary Committee.

**9.**"SECTION 9."

The underlined words are substituted for the words "within a period of ten years from the coming into force of this Act."

between the appraised value of the home as approved by the Minister or the purchase price, whichever is the lower, and the amount of the encumbrance thereon, assumed or created by the member;

*(b)* the repair or modernization of his home;

*(c)* the reduction or discharge of indebtedness under any agreement for sale, mortgage, or other encumbrance on his home, in an amount not exceeding twice the amount that the member himself simultaneously contributes to such purpose;

*(d)* the purchase of furniture and household equipment for his domestic use in an amount not exceeding ninety percentum of the purchase price of the furniture or household equipment or the payment of the full cost of repair of such articles;

*(e)* the provision of working capital for his business;

*(f)* the purchase of tools, instruments or equipment for his business or the cost of repair of such articles;

*(g)* the purchase of a business by him in an amount not exceeding two-thirds of the difference between the purchase price and any indebtedness incurred for the purpose of the purchase of such business, if the payment of such difference entitles the purchaser to immediate possession;

*(h)* the payment of premiums under any insurance scheme established by the Government of Canada, including:—

(i) payment of premiums pursuant to any contract of insurance to which he is a party under *The Returned Soldiers' Insurance Act, The Veterans Insurance Act* or the *Civil Service Insurance Act;*

1920, c. 54.
1944, c. 49.
1927, c. 23.

(ii) payment under subsection two of section forty-nine of the *Royal Canadian Mounted Police Act* of a deficiency in deduction from his pay as an officer of the Royal Canadian Mounted Police;

1927, c. 160.

(iii) payment of contributions in respect of his service as a constable of the Royal Canadian Mounted Police under sections sixty-seven, seventy-eight, eighty-one or eighty-two of the *Royal Canadian Mounted Police Act;*

1927, c. 160.

(iv) payment of contributions under section five of the *Civil Service Superannuation Act* in respect of his service in the Civil Service prior to becoming a contributor under that Act;

1927, c. 24.

(v) payment under subsection two of section ten of the *Militia Pension Act* of a deficiency in deduction from his pay as an officer as defined in that Act;

1927, c. 133.

*(b)* The words "if owned by him" have been deæted following extended meaning of "home" as defined in section 2 (i).

*(c)* Intended to allow use of remaining credit in case where member cannot use it all under *(a)* (ii) above and in general to allow for payment of any indebtedness upon the member's home. See P.C. 5046 of the 17th July, 1945.

*(d)* This was formerly 9 *(c)* of the Act. Part is entirely new. The words "of the cost thereof" are replaced by "of the purchase price of the furniture or household equipment" taken from para. 5 of P.C. 165. The words "two-thirds" have been deleted and the words "ninety percentum" substituted therefor, and the words "or the payment of the full cost of repair of such articles" inserted, on the recommendation of the Parliamentary Committee.

*(f)* This was formerly 9 *(e)* of the Act. The part is new. The words "or the cost of repair of such articles" being inserted on recommendation of the Parliamentary Committee.

*(g)* This was formerly 9 *(f)* of the Act and is intended to clarify "equity fund". See para. 6 of P.C. 165.

*(h)* (i), (ii), (iii), (iv) and (v). This was formerly 9 *(g)* of the Act being extended to include insurance schemes established by the Government of Canada, taken from para. 13 of P.C. 165.

(iii) Use of credit for payment of contributions under subparagraph (iii) extended to include time spent by constable in provincial police force prior to its absorption in Royal Canadian Mounted Police; recommended by Parliamentary Committee.

1927, c. 7.

(vi) payment of the purchase price of an annuity purchased by him under the *Government Annuities Act;*

*(i)* payment of fees and the purchase of special equipment including instruments, books, tools and other equipment required for educational and vocational training other than educational and vocational training provided by the laws of Canada for members of the forces; and

*(j)* any other purpose authorized by the Governor in Council.

Ownership and possession of furniture or household equipment to pass to buyer. Prohibition of conditioned contract.

(2) No credit shall be made available for the purchase of furniture or household equipment or for the payment of any debts incurred by the purchase of furniture or household equipment if the actual possession of the furniture or household equipment does not pass to the buyer when the contract is made or if it is agreed, provided or conditioned in the contract that the right of property in or right of possession to the furniture or household equipment in whole or in part shall remain in the seller notwithstanding that the actual possession of the furniture or household equipment passes to the buyer."

**10.** Section eleven of the said Act is repealed and the following substituted therefor:—

Exceptions to entitlement—officer and naval warrant officer.

"**11.** No officer and no warrant officer of the naval forces, and no officer of the military or air forces, shall be entitled to any benefits under this act if, since the tenth day of September, one thousand nine hundred and thirty-nine,

*(a)* he is cashiered or dismissed from the service by a sentence of a court-martial;

*(b)* he is deprived of his commission or warrant by reason of misconduct;

*(c)* he is called upon to retire or to resign his commission or warrant by reason of misconduct;

*(d)* his resignation is accepted by reason of misconduct."

**11.** Section twelve of the said Act is repealed and the following substituted therefor:—

Exceptions to entitlement—seaman, soldier or airman.

"**12.** (1) No seaman, soldier, or airman, shall be entitled to any benefits under this Act if he has been discharged since the tenth day of September, one thousand, nine hundred and thirty-nine:—

*(a)* having been sentenced to be discharged with ignominy or, in the naval forces, to dismissal with or without disgrace;

*(b)* by reason of his having been convicted by a civil court or by court-martial during his service;

(vi) Intended to extend use of credit for purposes of purchasing an annuity under Government Annuities Act. Inserted on recommendation of Parliamentary Committee.

*(i)* This was formerly 9 *(h)* of Act. Extended to provide for "payment of fees"; recommended by Parliamentary Committee. It was also intended to clarify the type of equipment which may be purchased as stated in para. 7 of P.C. 165.

S.s. (2) Intended to ensure furniture and household equipment purchased shall pass into possession of buyer and with absolute ownership; protects against conditional sales. See para. 22 of P.C. 165.

**10.** "SECTION 11."

New in part—states effective date after which benefits may be lost for various reasons. This allows benefits to go to officers who may have ceased to serve in the manners stated prior to this war. See para. 12 of P.C. 9440.

"SECTION 12."

New in part—states date after which benefits may be lost for various reasons. This allows benefits to go to persons other than officers who may have ceased to serve in the manners stated prior to this war. See para. 13 of P.C. 9440.

*(c)* for misconduct.

"Misconduct".

(2) A seaman who was discharged for the stated reason of "services no longer required" and a soldier or airman who was discharged for the stated reason of "misconduct" shall be deemed to have been discharged for misconduct for the purposes of section twelve of this Act."

Entitlement on rejoining forces after discharge.

"**12A.** Where a member is discharged for any of the reasons or in any of the circumstances set forth in section eleven or section twelve of this Act and subsequently rejoins the forces he shall not be disqualified under the said sections from receiving benefits under this Act in respect of his services after he so rejoins, by reason only of his conduct prior to such discharge.

Reference to Board of Review.

"**12B.** (1) The application for gratuity of every member who is discharged for any of the reasons or in any of the circumstances set forth in sections eleven or twelve of this Act shall forthwith, together with all documents relating to the member's service, be referred to the Board of Review as constituted by the next succeeding subsection of this section.

Constitution of Board of Review.

(2) There shall be a Board to be called the "Board of Review" which shall consist of not less than three and not more than five members who shall be appointed by the Minister with the approval of the Governor in Council.

Members of Board of Review.

(3) At least one of such members shall be a person who, in the opinion of the Minister, is representative of organized veterans. One of such members shall be designated to be chairman of the Board and such number of members as the Governor in Council may determine shall constitute a quorum.

Remuneration.

(4) The members of the Board shall receive such remuneration as the Governor in Council may determine.

Employees.

(5) *(a)* All officers, clerks or other employees required by the Board for the performance of its functions shall be appointed according to law.

Status of Civil Servants.

*(b)* A civil servant who prior to or at the time of his appointment as a member of the Board was or is a contributor under the provisions of the *Civil Service Superannuation Act* may elect, within three months of his appointment, and shall be eligible, notwithstanding the provisions of the *Civil Service Superannuation Act*, to continue to be a contributor under the said Act and in such event his tenure of office as a member of the Board shall be counted as service in the Civil Service for the purposes of the said Act and he, his widow and children, or other dependents, if any, shall be eligible to receive the respective allowances or gratuities provided by the said Act, and in the event of his being retired from the office as a member of the Board for any reason other than misconduct, he shall be eligible to receive the same benefits under the said Act as if his office as member of the Board had been abolished.

S.s. (2) Extends meaning of "misconduct" for the purposes of section 12. See para. 14 of P.C. 9440.

"SECTION 12A."

Provides that member rejoining forces subsequent to being discharged for reasons set forth in sections 11 and 12 shall not be disqualified from receiving benefits under the Act in respect of his subsequent service. See para. 12 and 13 of P.C. 9440.

"SECTION 12B." (1), (2), (3), (4), (5), (6), (7) and (8).

This section is entirely new and provides for the constitution of a Board of Review appointed by the Minister with the approval of the Governor in Council, one member being a representative of organized veterans; members of the Board receive remuneration as determined by the Governor in Council and necessary staff shall be appointed according to law. A civil servant prior to his appointment as a member of the Board has a right to elect to continue to contribute under the *Civil Service Superannuation Act.* The Board may with the approval of the Governor in Council make rules and regulations and is empowered to examie applications for gratuity of member discharged under sections 11 and 12 of the Act.

The Board is further empowered to direct that a member shall receive the benefits of this Act where it considers it would be inconsistent with the true spirit and intent of the Act to deprive member of benefits by reason of sections 11 and 12 of the Act.

This section recommended by Parliamentary Committee.

Regulations.

(6) The Board may, with the approval of the Governor in Council, make rules for regulating its proceedings and the performance of its functions.

Duties of Board of Review.

(7) It shall be the duty of the Board and it is hereby empowered to examine every application referred to it pursuant to the provisions of subsection one of this section and to consider the nature and extent of the services rendered by the member in the armed forces and to investigate the circumstances under which the member was discharged, and for that purpose the Board is authorized to make such enquiries, hear such witnesses, and take such evidence as it may deem necessary.

Finding of board.

(8) Where, on such examination and investigation, the Board is of the opinion that it would be inconsistent with the true spirit and intent of this Act to deprive the member of benefits under the Act by reason of sections eleven or twelve of the Act, the Board shall by order direct that the member shall receive the benefits of this Act as completely as if said sections eleven and twelve were not part of this Act."

**12.** Section sixteen of the said Act is repealed and the following substituted therefor:

Re-appointment or re-enlistment—deferment of gratuity of credit.

"**16.** (1) Where a member of the forces, before he has been paid or granted all or any part of the gratuity or credit, is reappointed to or re-enlists in the forces, the balance of such gratuity or credit remaining unpaid or not granted shall not be paid or granted to such member until his subsequent discharge, at which time he shall be entitled to be paid or granted such gratuity or credit or the balance thereof in addition to any further gratuity or credit to which he may be entitled under this Act by reason of his subsequent period of service.

Service in more than one force—calculation of benefits.

(2) The benefits provided by subsection one of section three and section seven of this Act payable to or in respect of a member who has had service in more than one force, shall be calculated as if his total service had been uninterrupted service in any one of such forces, and the benefits provided by subsection two of section three of this Act, payable to or in respect of a member who has had service in more, than one force and overseas service in at least one force shall be calculated separately for each force in which he had overseas service on the basis of the pay and allowances payable to or in respect of him at the date of discharge from each such force.

Date of payment of gratuity and granting of credit to member of permanent naval or military forces or regular air force.

(3) A member who joins the permanent naval or military forces or the regular air force on or before the thirty-first day of March, one thousand nine hundred and forty-six, shall be paid his gratuity and may be granted his credit in the manner provided in this Act on that date. A member who joins the permanent naval or military forces or the

**12.** "SECTION 16."

(1) Self-explanatory.

(2) Ensures that benefits would be available to member who has served in more than one force for the aggregate time he so served. See para. 17 of P.C. 9440.

(3) Provides for payment of gratuity to person joining permanent naval or military forces or regular air force on or before and subsequent to 31st March, 1946; recommended by Parliamentary Committee.

regular air force subsequent to the thirty-first day of March, one thousand and nine hundred and forty-six, shall be paid his gratuity and may be granted his credit in the manner provided in this Act on the date of his acceptance for service in one of such forces.

Date of payment of gratuity or granting of credit to member other than those serving in permanent naval or military forces or regular air force.

(4) Unless the Minister otherwise directs, a member who is serving with the naval, military or air forces other than the permanent naval or military forces or the regular air force on the thirty-first day of March, one thousand nine hundred and forty-six, shall not be paid his gratuity or granted his credit until he resumes his civilian status."

**13.** Section seventeen of the said Act is repealed and the following substituted therefor:

Persons of Canadian domicile who served in other Commonwealth forces.

"**17.** (1) Subject to subsection two of this section, a person who, subsequent to the tenth day of September, one thousand nine hundred and thirty-nine, served on active service in any of the naval, military or air forces of His Majesty other than those raised in Canada, and at the time he joined the said force was domiciled in Canada, shall be entitled to be paid a gratuity and granted a credit equal to those which might have been paid or granted to him under this Act had such service been service in the forces, if he makes application therefor and if at the time of his application he is domiciled and resident in Canada.

Deduction of amount of pecuniary benefit of same nature as gratuity.

(2) There shall be deducted from the gratuity or credit authorized by subsection one of this section the amount of any pecuniary benefit, of the same nature as a gratuity or credit authorized to be paid or granted to members of the forces under this Act, that the person has received or is entitled to receive in respect of his service from any government other than that of Canada.

Gratuity forms part of service estate of deceased member.

(3) The provisions of section four of this Act except subsection four thereof shall apply to and in respect of any such person as if such person had been a member of the forces at the time of his death or discharge from the forces of His Majesty other than those raised in Canada: Provided, that where no person qualifies to receive payment of the gratuity or any unpaid balance thereof under this section in respect of any such deceased person, the gratuity or the unpaid balance thereof shall be paid to the Director of Estates for distribution to the person or persons to whom the service estate of the deceased was or will be paid by a government other than that of Canada in respect of his service.

(4) Provides for withholding of payment of gratuity or granting of credit from member serving with naval, military or air forces other than the permanent or regular forces, on the 31st March, 1946. Recommended by Parliamentary Committee.

**13.** "SECTION 17."

(1) Redrafted to clarify that person be domiciled in Canada at the time that he joined any of the naval, military or air forces of His Majesty other than those raised in Canada.

(2) Self-explanatory

(3) Provides for payment of gratuity in accordance with regulations of other Government. Recommended by Parliamentary Committee.

Minister to determine nature of benefits granted by other governments.

"**17A.** Any question arising under section fifteen or section seventeen of this Act as to whether any pecuniary benefit granted by any government other than that of Canada is of the same nature as a gratuity or credit authorized to be paid or granted to members of the forces under this Act shall be referred to the Minister or to such authority as the Minister may designate and the decision of the Minister or that authority, as the case may be, shall be final."

**14.** Section twenty of the said Act is repealed and the following substituted therefor:—

Immunity of gratuity or credit.

"**20.** (1) No gratuity payable or credit available to a member of the forces or his dependents shall be subject to attachment, levy, seizure or assignment under any legal process or to taxation.

Nullity of purported assignment etc.

(2) No such gratuity or credit or any part of either may be assigned, charged, anticipated, commuted, given as security or otherwise dealt with, and any purported assignment, charge, anticipation, commutation, or other transaction relating to the gratuity or credit made, entered into, or completed contrary to the provisions of this section, shall be wholly void and of no effect."

Renumbered sections.

**15.** Sections twenty-two, twenty-three, twenty-four and twenty-five of the said Act are renumbered respectively as twenty-five, twenty-six, twenty-seven and twenty-eight and the following sections are added thereto:—

Penalty for unauthorized use of credit by member.

"**22.** If any member uses a credit for any purpose not authorized under this Act or the regulations made thereunder, he shall be guilty of an offence and liable on summary conviction to a fine not exceeding two hundred dollars or to imprisonment for a term not exceeding two months or to both such fine and such imprisonment.

Penalties generally.

"**23.** Any person who

*(a)* knowingly assists any member in using or attempting to use a credit for any purpose not authorized under this Act or the regulations made thereunder; or

*(b)* counsels or abets any member in the use or the attempted use of a credit for any purpose not authorized under this Act or the regulations made thereunder; or

*(c)* knowingly makes any statement or gives any information which is false in any material particular for the purpose of having made available any credit to him or on his behalf;

shall be guilty of an offence and liable on summary conviction to a fine not exceeding two hundred dollars or to imprisonment for a term not exceeding three months or both such fine and such imprisonment.

"SECTION 17A."

Self-explanatory. It was found necessary for some authority to be given power to decide such matters. See para. 18 (2) of P.C. 9440.

**14.** "SECTION 20."

(2) Intended to prevent disposal of gratuity or credit prior to its being paid or credited to member or other person entitled thereto. See para. 19 of P.C. 9440.

**15.** "SECTION 22."

Provides penalties if member uses credit for unauthorized purpose. See para. 25 of P.C. 165.

"SECTION 23."

Provides penalties where any person assists or counsels or abets any member in the unauthorized use or attempted use of a credit or makes any statement or gives any information which is false for the purpose of having credit made available

Extension of time limit for prosecutions.

"**24.** Notwithstanding any law to the contrary, any complaint or information with respect to any violation of the provisions of this Act may be made or laid within one year from the time when the matter of complaint or information arose."

"SECTION 24."

Extends time from six months (as provided by Criminal Code) to one year. Time limit of six months has been found to be too short to complete investigations.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 178.

An Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1945, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

First reading, November 26, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

48617

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 178.

An Act to authorize the provision of moneys to meet certain capital expenditures made and capital indebtedness incurred by the Canadian National Railways System during the calendar year 1945, and to authorize the guarantee by His Majesty of certain securities to be issued by the Canadian National Railway Company.

1931, cc. 22,23; 1932, cc. 6, 15, 25, 26; 1932-33, c. 34; 1935, c. 17; 1936, c. 27; 1937, c. 6; 1938, c. 43; 1939, c. 38; 1940, c. 24; 1940-41, c. 12; 1942-43, c. 22; 1943-44, c. 22; 1944-45, c. 14.

HIS MAJESTY, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

**1.** This Act may be cited as *Canadian National Railways Financing and Guarantee Act, 1945.*

Power to issue securities for capital expenditures.

**2.** Subject to the provisions of this Act and the approval of the Governor in Council, the Canadian National Railway Company (herein called "the National Company") may issue notes, obligations, bonds, debentures or other securities (herein called "securities") bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may approve, to provide the amounts necessary to meet in whole or in part capital expenditures made or capital indebtedness incurred during the calendar year 1945 by or on behalf of any companies or railways comprised in the National Railway System as defined in 1937, c. 22. *The Canadian National Railways Capital Revision Act, 1937*, on any or all of the following accounts, such expenditures or indebtedness being (herein called "authorized expenditures")—

| | |
|---|---|
| Additions and Betterments (less retirements) | $15,008,000 |
| Acquisition of Securities | 1,015,000 |
| Retirement of Maturing Capital Obligations, including Sinking Fund and equipment principal payments | 10,777,000 |
| | $26,800,000 |

| | |
|---|---|
| *Less:* Available from Reserves for Depreciation and Debt Discount Amortization | 18,000,000 |
| | $ 8,800,000 |

Proviso.

Provided, however, that for such purposes the aggregate principal amount at any one time outstanding of the securities which the National Company is authorized by this section to issue from time to time shall not exceed the sum of $8,800,000 being the total of the items hereinbefore set out.

Minister of Finance may make temporary loans for capital expenditures.

**3.** The Minister of Finance, with the approval of the Governor in Council, may make temporary loans to the National Company out of the Consolidated Revenue Fund for the purpose of meeting authorized expenditures, bearing such rates of interest and subject to such other terms and conditions as the Governor in Council may determine and secured by securities which the National Company is authorized to issue from time to time under the provisions of section two of this Act, upon applications for such loans approved by the Minister of Transport, made from time to time by the National Company to the Minister of Finance:

Proviso.

Provided, however, that the aggregate principal amount at any one time outstanding of the loans which the Minister of Finance is hereby authorized to make from time to time to the National Company shall not exceed the sum of $8,800,000.

Issue and guarantee of substituted securities.

**4.** Should any such temporary loans be made within the limits aforesaid, definitive securities may subsequently be issued and guaranteed under the provisions of this Act to repay such loans or any part thereof.

Power to aid other companies.

**5.** The National Company may aid and assist, in any manner, any other or others of the said companies and railways, and, without limiting the generality of the foregoing, may for its own requirements and also for the requirements of any other or others of the said companies and railways from time to time:—

*(a)* Apply the proceeds of any issue of securities in meeting authorized expenditures on its own account or on account of any other or others of the said companies and railways;

*(b)* Make advances for the purpose of meeting authorized expenditures to any other or others of the said companies and railways, upon or without any security, at discretion.

Guarantee.

**6.** The Governor in Council may authorize the guarantee of the principal, interest and sinking funds (if any) of the securities, which the National Company may make or issue from time to time under the provisions of this Act.

Form and terms of guarantee.

**7.** (1) The guarantee or guarantees may be in such forms and subject to such terms and conditions as the Governor in Council may determine to be appropriate and applicable thereto and may be signed on behalf of His Majesty by the Minister of Finance or the Acting Minister of Finance or by such other person as the Governor in Council may from time to time designate and such signature shall be conclusive evidence for all purposes of the validity of the guarantee and that the provisions of this Act have been complied with.

Method of guarantee.

(2) Any such guarantee may be either a general guarantee covering the total amount of the issue or be a separate guarantee endorsed on each obligation.

Temporary guarantees.

(3) With the approval of the Governor in Council temporary guarantees may be made, to be subsequently replaced by permanent guarantees.

Proceeds paid to credit of Minister of Finance in trust.

**8.** (1) The proceeds of any sale, pledge, or other disposition of any guaranteed securities shall be deposited in the first place either in the Consolidated Revenue Fund or to the credit of the Minister of Finance and Receiver General of Canada in trust for the National Company in one or more banks designated by him.

Application for the release of any part of the proceeds.

(2) The Board of Directors of the National Company may from time to time authorize application to be made to the Minister of Transport for the release of any part of the proceeds deposited as aforesaid to the National Company for the purpose of meeting specified authorized expenditures within the respective limits, mentioned in section two of this Act, and the Minister of Transport may in his discretion approve the said applications and upon the request of the Minister of Transport, the Minister of Finance may release the amount or amounts of such applications or part thereof accordingly.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 217.

An Act to amend The Export Credits Insurance Act.

First reading, December 3, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

50533

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 217.

An Act to amend The Export Credits Insurance Act.

1944-45, c. 39.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Subsection two of section twenty-two of *The Export Credits Insurance Act,* chapter thirty-nine of the statutes of 1944-45, is repealed and the following substituted therefor:—

Aggregate amount of guarantees.

Loans and securities.

"(2) The aggregate amount of guarantees under subsection one of this section outstanding at any time shall not exceed two hundred million dollars and the aggregate of the amount of loans made and outstanding at any time and the value of securities purchased or acquired and held at any one time under subsection one of this section shall not exceed seven hundred and fifty million dollars."

## Explanatory Note.

**1.** The change in the proposed new subsection is an increase in respect to loans and securities from one hundred million dollars to seven hundred and fifty million dollars.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 218.

An Act to authorize the Minister of Finance, with the approval of the Governor in Council, to enter into an Agreement with the Province of Alberta to amend the Agreement entered into with that Province under the authority of The Dominion-Provincial Taxation Agreement Act, 1942.

First reading, December 3, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
50236 1945

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 218.

An Act to authorize the Minister of Finance, with the approval of the Governor in Council, to enter into an Agreement with the Province of Alberta to amend the Agreement entered into with that Province under the authority of the Dominion-Provincial Taxation Agreement Act, 1942.

1942-43, c. 13.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title.

**1.** This Act may be cited as *The Dominion-Alberta Supplementary Taxation Agreement Act, 1945.*

Authority to enter into agreement.

**2.** Notwithstanding anything contained in *The Dominion-Provincial Taxation Agreement Act, 1942*, the Minister of Finance, with the approval of the Governor in Council, may enter into an agreement with the Government of the Province of Alberta to amend the agreement entered into with the Government of that province pursuant to the said Act dated the thirtieth day of March, one thousand nine hundred and forty-two, to provide

Terms.

*(a)* that the annual amount of compensation which the Dominion agrees to pay to the province under section ten of the said agreement shall, subject to the deductions provided in the said section ten and all other terms and conditions of the said agreement, be the sum of five million, eight hundred and twenty-seven thousand, seven hundred and ninety-three dollars and ninety-four cents, being an amount calculated as equivalent to the net debt service of the province in respect of the fiscal period mentioned in paragraph *(b)* of section three of the said Act instead of the sum of four million, eighty thousand, eight hundred and sixty dollars and sixty-four cents as provided in paragraph

## Explanatory Note.

This Bill authorizes the Minister of Finance, with the approval of the Governor in Council to enter into an agree-, ment with the Province of Alberta to amend the agreement with that province made under *The Dominion Provincial Taxation Agreement Act, 1942.*

Under the amended agreement the province will receive $5,827,793.94 annually during the currency of the agreement in place of the sum of $4,080,860.64 it now receives. The sum of $5,827,793.94 represents the amount the province would have received had it elected to take "the net debt service option" instead of the "tax receipts option". The province will receive also the lump sum of $2,400,000 representing a fiscal need subsidy of $600,000 in respect of each of the four fiscal years of the province ending in the years 1938 to 1941 inclusive.

The two relevant sections of *The Dominion Provincial Taxation Agreement Act, 1942*, are sections three and four which read as follows:—

"**3.** The annual amount of such compensation shall be, *(a)* in the case of the provinces of British Columbia, Alberta, Manitoba, Ontario and Quebec, respectively, as follows:—

| | |
|---|---|
| British Columbia | $12,048,367 51 |
| Alberta | 4,080,860 64 |
| Manitoba | 5,054,740 92 |
| Ontario | 28,964,039 54 |
| Quebec | 20,586,074 56 |

being an amount in each case calculated as equivalent to the total revenue obtained by the said provinces from personal income and corporation taxes during the fiscal year of each of said provinces and of municipalities therein ending nearest to the thirty-first day of December, 1940, which by the terms of the agreement will cease to be levied; and

*(b)* in the case of the provinces of Nova Scotia, New Brunswick, Prince Edward Island and Saskatchewan, respectively, as follows:—

| | |
|---|---|
| Nova Scotia | $2,585,308 72 |
| New Brunswick | 3,278,574 15 |
| Prince Edward Island | 264,769 94 |
| Saskatchewan | 4,330,471 29 |

being an amount in each case calculated as equivalent to the net debt service paid by the province during its fiscal year ending nearest to December 31, 1940 (not including contributions to sinking funds) less the revenues obtained by the province from succession duties during the said fiscal year:

Provided that any arrears of personal income and corporation taxes collected by a province after the close of its said fiscal year may, in accordance with and subject to such terms and conditions as may be set out in the agreement, be deducted from the annual amount payable to the province and shall be paid to the province after the termination of the agreement.

"**4.** The agreement may also provide that in the case of the Provinces of Nova Scotia, New Brunswick, Prince Edward Island, Manitoba and Saskatchewan, the Dominion shall pay by way of additional subsidy during each year of the term of the agreement the respective amounts hereinafter set forth:—

| | |
|---|---|
| Nova Scotia | $325,769 31 |
| New Brunswick | 371,493 30 |
| Prince Edward Island | 437,174 02 |
| Manitoba | 600,000 00 |
| Saskatchewan | 1,500,000 00." |

*(a)* of the said section three as being the amount calculated as equivalent to the total revenues obtained by the province from personal and corporation taxes during the fiscal period mentioned therein;

*(b)* that the Dominion will pay to the province such additional amount as would have been payable under the said agreement during the period in which the said agreement was in operation prior to the amendment thereof herein provided for, if the sum first mentioned in paragraph *(a)* of this section had, subject as aforesaid, been payable under the said section ten of the agreement in the place of the sum last mentioned in paragraph *(a)* of this section from the time when the said agreement first came into operation; and

*(c)* that the Dominion will pay to the province by way of additional subsidy the sum of two million four hundred thousand dollars representing the sums of six hundred thousand dollars in respect of each of the fiscal years of the Province ending in the years one thousand nine hundred and thirty-eight to one thousand nine hundred and forty-one inclusive.

Payments out of C.R. Fund.

**3.** The amounts payable to the Province of Alberta pursuant to an agreement made under the provisions of this Act or under any agreement or Order in Council heretofore made within the terms hereof shall be a charge upon the Consolidated Revenue Fund of Canada and payable out of any unappropriated moneys forming part thereof at such times and in such manner as may be set out in the agreement.

Coming into force.

**4.** This Act shall be deemed to have come into force on the seventh day of June, one thousand nine hundred and forty-five.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 233.

An Act to amend The Veterans' Land Act, 1942.

First reading, December 7, 1945.

THE MINISTER OF VETERANS AFFAIRS.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

47351

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 233.

An Act to amend The Veterans' Land Act, 1942.

1942-43, c. 33.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Paragraphs *(a)* and *(d)* of section two of *The Veterans' Land Act, 1942*, chapter thirty-three of the statutes of 1942-43, are repealed and the following substituted therefor:—

"Minister." *"(a)* "Minister" means the Minister of Veterans Affairs;

"veteran." *"(d)* "veteran" means a person who at any time during the war declared by His Majesty on the tenth day of September, one thousand nine hundred and thirty-nine, against the German Reich and subsequently against other powers, has been therein engaged on active service in a naval, military, or air force of Canada, or of any of His Majesty's forces if at the time of his enlistment he was ordinarily domiciled or resident in Canada; and

(i) whose service has involved duties required to be performed outside of the Western Hemisphere; or

(ii) who has served only in the Western Hemisphere for a period of at least twelve months, not including any period of absence without leave or leave of absence without pay, time served while undergoing sentence of penal servitude, imprisonment or detention, or service in respect of which pay is forfeited; or

(iii) who, wherever he may have served, is by reason of disability incurred as a result of such service in receipt of a pension;

and has been honourably discharged from such naval, military, air force, or other of His Majesty's forces, or has been permitted honourably to resign or retire therefrom;

## Explanatory Notes.

Vertical lines or underlining indicate new wording.

Clause 1.

*(d)* (i) and (ii)—New definition of veteran to harmonize with that contained in *The War Service Grants Act, 1944.*

Under *The War Service Grants Act, 1944,* the period of service for obtaining benefits is the net period of service after deducting the periods of absence set out in section 13 of that Act. This section of the amending bill applies the same method of computing the period of service as obtains in *The War Service Grants Act, 1944.*

and "veteran" also means a British subject who was ordinarily domiciled or resident in Canada at the beginning of the said war and who is in receipt of a pension in respect of a disability incurred while serving upon a ship during the said war."

**2.** Section two of the said Act is further amended by adding thereto immediately after paragraph *(d)* thereof the following paragraph:

"Western Hemisphere."

*"(e)* "Western Hemisphere" means the continents of North and South America, the Islands adjacent thereto, and the territorial waters thereof, including Newfoundland, Bermuda, and the West Indies but excluding Greenland, Iceland and the Aleutian Islands."

**3.** The said Act is further amended by adding thereto, immediately after section seven thereof, the following heading and section:

"BUILDINGS AND IMPROVEMENTS"

Director.

Buildings and improvements.

Contracts.

Roads, easements.

"improvements."

"**7A.** (1) The Director may for the purposes of this Act:

*(a)* erect on land acquired by him such buildings or effect such other improvements as he may deem necessary;

*(b)* enter into a contract with a person, firm or corporation, or with a province, city, town or municipal authority, for the erection of such buildings and for effecting such other improvements as he may deem necessary; and

*(c)* grant a roadway, right of way, easement or other right or interest in, over, through or upon such land.

(2) For the purposes of this section the expression "improvements" includes works for sewage disposal, works for the supply of water, gas, electricity or other services, roads, drainage and the cost of preparing plans of subdivisions and any other plans required for such improvements."

**4.** Section nine of the said Act is repealed and the following substituted therefor:

Sale of land, etc., to veterans.

"**9.** (1) Subject to the provisions of this Act and the regulations made thereunder, the Director may contract with a veteran certified by him to be qualified to participate in the benefits of this Act for the sale to such veteran of land and improvements thereon, building materials, livestock and farm equipment up to a total cost to the Director of six thousand dollars, but subject to the following conditions:

Conditions.

*(a)* that the cost to the Director of the land, improvements and building materials shall not exceed six thousand dollars;

Clause **2.** To bring into harmony with *The War Service Grants Act, 1944.*

Clause **3.** In *The Veterans' Land Act, 1942*, sections 7, 8 and 9 authorize the purchase and sale of land, buildings, building materials and improvements. It was never questioned that the intention was that a veteran could obtain a completed home under the Act and the Department proceeded accordingly with the concurrence of Government. In March, 1945, the Deputy Minister of Justice expressed the opinion that the wording of the sections 7, 8 and 9 did not confer the specific power to engage in the construction of homes and in order to clarify the meaning of the Act and meet the opinion of the Deputy Minister, an Order in Council under the War Measures Act, P.C. 2227, dated the 13th April, 1945, was passed in the form and words of the proposed section (with a slight alteration as to "plans"). The section gives the power also to enter into such other contracts for water supply, sewage, etc., as are incidental and necessary in house construction. In effect it provides the Director with continuing authority to enter into contracts to convert building materials into completed homes and to make other essential improvements.

Clause **4.** By the original Act the sale of land, building materials, livestock and farm equipment to a veteran is limited to $4,800, the real property expenditure being limited to $3,600 and the livestock and farm equipment to $1,200. Since the passing of the Act, experience has shown that the purposes of the Act cannot be carried out at a price ceiling of $4,800. The amount was increased by Order in Council under the War Measures Act to $6,000 of which the total expenditure for land, buildings, and permanent improvements may not exceed $6,000 and the expenditure for livestock and equipment may not exceed $1,200 or the difference between the expenditure for land and the sum of $6,000, whichever is the less.

This section confers on the Director the statutory authority which was formerly given by Or er in Council P.C. 2020 dated 13th April, 1945.

*(b)* that the veteran has paid to the Director ten per centum of such cost and the entire cost price of land, improvements and building materials in excess of six thousand dollars;

*(c)* that the cost to the Director of the livestock and farm equipment shall not exceed twelve hundred dollars or the amount by which six thousand dollars exceeds the cost to the Director of the land, improvements and building materials, whichever is less;

*(d)* that the sale price to a veteran of land, improvements, building materials, livestock and farm equipment shall be, in addition to any sum paid by the veteran before contract made, a sum equal to two-thirds of the cost to the Director of the land, improvements and building materials;

*(e)* that the interest rate payable by a veteran shall be three and one-half per centum per annum;

*(f)* that the balance of the purchase price payable by a veteran may be extended over a term not in excess of twenty-five years with interest at the rate aforesaid on the amortization plan;

*(g)* that at the discretion of the Director terms of payment by a veteran may be varied to provide for payment of interest charges only for a period of five years first following the date of sale or for annual or semi-annual or monthly payments of principal and interest provided that a maximum repayment period of twenty-five years is not exceeded;

*(h)* that save upon payment in full to the Director of the total outstanding cost to the Director of the land, improvements, livestock and farm equipment together with interest at the said rate on the said outstanding cost and all other charges owing by the veteran in respect thereof, no sale, assignment, or other disposition of the subject-matter of a contract between a veteran and the Director shall be made by the veteran, nor shall a conveyance or transfer be given by the Director to a veteran during a period of ten years following the date of the relative contract and thereafter only if the veteran has complied with the terms of his agreement for the said ten-year period.

Commercial fishing equipment.

(2) Subject to the provisions of this Act and the regulations made thereunder, the Director may contract with a veteran certified by him to be qualified to participate in the benefits of this Act for the sale to such veteran of land and improvements thereon, building materials and commercial fishing equipment up to a total cost to the Director of six thousand dollars subject to the same conditions set forth in subsection one of this section with the words 'commercial fishing equipment' substituted for the words 'livestock and farm equipment' wherever they occur therein."

Subclause (2). This section amends the original Act for the purpose of bringing the expenditure for land and commercial fishing equipment up to the same amount as that authorized by the preceding subsection.

**5.** Section thirteen of the said Act is repealed and the following substituted therefor:

Advances under conditions.

"**13.** The Director may make advances to a veteran certified by him to be qualified to participate in the benefits of this Act to enable the discharge of encumbrances on farm land that is owned and used by the veteran as such, for the purchase of livestock and farm equipment and for the effecting of permanent improvements, of amounts not exceeding in the aggregate the sum of four thousand four hundred dollars, but subject to the following conditions:

*(a)* advances for all purposes shall not exceed sixty per centum of the value of the land as established by the Director;

*(b)* advances for the purchase of livestock and farm equipment shall not exceed fifty per centum of the value of the land, and shall not exceed a total of two thousand five hundred dollars, and all such purchases may be subject to the approval of the Director;

*(c)* such advances shall constitute a first charge on the land of the veteran with respect to which the advance is made and repayment thereof shall be secured by a first mortgage or hypothec upon such land;

*(d)* the terms of repayment may be extended over a period of twenty-five years with interest at the rate of three and one-half per centum per annum on the amortization plan;

*(e)* at the discretion of the Director terms of repayment may be varied to provide for payment of interest charges only for a period not in excess of five years first following the date the advances are made, or for annual or semi-annual or monthly instalments of principal and interest provided the maximum repayment period of twenty-five years is not exceeded;

*(f)* repayment in full of advances made under this section may be made at any time without notice or payment of bonus."

**6.** Section thirty-five of the said Act is repealed and the following substituted therefor:

"**35.** (1) The Minister may, with the approval of the Governor in Council, enter into an agreement with

Agreements with provinces.

*(a)* the government of any province for the settlement of veterans on any provincial lands that the provincial government may recommend as being specially suitable for settlement by veterans; and

Dominion lands.

*(b)* the Minister of Mines and Resources of Canada for the settlement of veterans on any Dominion lands that the Minister of Mines and Resources may recommend as being specially suitable for the settlement by veterans."

Clause **5.** This clause amends the original Act under which the Director may make a loan to a veteran on farm land owned and used by the veteran. Originally the loan was limited to $3,200. When the ceiling limit under section 9 of the original Act was raised from $4,800 to $6,000 the amount which a veteran might borrow on his own farm was also increased by the $1,200 which was added to the ceiling price under section 9.

Clause **6.** Section 35 of *The Veterans' Land Act, 1942*, authorizes the Minister, with the approval of the Governor in Council, to enter into an agreement with any province for the settlement of veterans on any provincial crown lands which the Provincial Government may submit as being specially suitable for settlement by veterans. That section provides that such an agreement shall contain provisions, conditions and limitations in regard to such settlement as the Minister and the Province may mutually decide, but there is no power vested in the Minister or the Governor in Council to make capital assistance available to or on behalf of a veteran under terms other than those contained in sections 8 and 9 of the Act. Various Provinces have expressed the desire to make provincial lands available for settlement of veterans and it is desirable that there be reasonable uniformity in the settlement of veterans on provincial lands while taking into account variations which occur in provincial lands and the manner in which such lands are most readily adapted for the rehabilitation of veterans. With respect to the majority of provincial lands the cost of clearing and other development necessary for purely agricultural purposes to place a veteran on a basis of ability to repay a loan would, in a great many cases, involve a capital expenditure equal to the cost of purchasing improved lands in settled communities. Notwithstanding the problems of settlement on provincial lands veterans who prefer to seek re-establishment on such lands should be assisted to do so, but not on the basis of repayment of the capital assistance provided reasonable settlement conditions are made.

Terms and conditions.

(2) An agreement entered into pursuant to subsection one of this section shall contain such terms, conditions and limitations with reference to settlement of veterans as the Governor in Council may approve.

Amount of grant.

(3) Subject to the regulations made under this Act the Director may grant an amount not exceeding two thousand three hundred and twenty dollars to a veteran who settles on provincial or Dominion lands pursuant to an agreement entered into under subsection one of this section.

Purposes.

(4) A grant made pursuant to subsection three of this section shall be used only for one or more of the following purposes:—

*(a)* the purchase of essential building materials and other costs of construction;

*(b)* the clearing and other preparation of land for cultivation;

*(c)* the purchase of essential farm livestock and machinery;

*(d)* the purchase of machinery and equipment essential to forestry;

*(e)* the purchase of commercial fishing equipment;

*(f)* the purchase of trapping or fur farming equipment but not breeding stock; and

*(g)* the purchase of essential household equipment.

Grant not in addition to other grant or a sale.

(5) A veteran who has received a grant under this section shall not be entitled to enter into a contract with the Director under section nine or section thirteen of this Act, and a veteran who has entered into a contract with the Director under section nine or section thirteen of this Act shall not be entitled to a grant under this section."

**7.** The said Act is further amended by adding thereto, immediately after section thirty-five thereof, the following section:—

Grant to Indian veteran.

"**35A.** (1) The Director may grant an amount not exceeding two thousand three hundred and twenty dollars to an Indian veteran who settles on Indian Reserve lands, the said grant to be paid to the Minister of Mines and Resources who shall have the control and management thereof on behalf of the Indian veteran.

Disbursements by Minister of Mines and Resources.

(2) A grant made pursuant to subsection one of this section shall be disbursed by the Minister of Mines and Resources on behalf of the Indian veteran only for one or more of the following purposes:—

*(a)* the purchase of essential building materials and other costs of construction;

*(b)* the clearing and other preparation of land for cultivation;

(3) The limit of $2,320 set as a total advance under this section represents the maximum grant which a settler can obtain, were he purchasing land and equipment under section 9 of the Act as amended. The section specifies the purposes for which a grant may be made.

(5) Obviously a veteran who selects to take advantage of the provisions of this section cannot also benefit under section 9 or 13 and *vice versa*.

Clause **7.** It is desirable to make provision to facilitate establishment of Indian veterans on Indian Reserve lands, but in view of the fact that titles to Indian Reserve lands may not be alienated or hypothecated it is not practicable to assist Indian veterans under the existing provisions of *The Veterans' Land Act* to become established on Indian Reserve lands.

This section authorizes the Director to make a grant not exceeding $2,320 to an Indian veteran who settles on Indian Reserve land, the grant to be paid to the Minister of Mines and Resources and to be expended for the purposes set out in the section.

The total grant of $2,320 which may be expended is the same as that which a veteran may obtain under Section 9 of the Act.

*(c)* the purchase of essential farm livestock and machinery;

*(d)* the purchase of machinery or equipment essential to forestry;

*(e)* the purchase of commercial fishing equipment;

*(f)* the purchase of trapping or fur farming equipment but not breeding stock;

*(g)* the purchase of essential household equipment; and

*(h)* the acquisition of occupational rights to lands, vacant or improved, located within the boundaries of any Indian reserve.

Grant not in addition to other grant or a sale.

(3) An Indian veteran on whose behalf a grant has been made under this section shall not be entitled to enter into a contract with the Director under section nine or section thirteen of this Act, and an Indian veteran who has entered into a contract with the Director under section nine or section thirteen of this Act shall not be eligible for a grant under this section."

**8.** The said Act is further amended by adding thereto, immediately after subsection one of section thirty-seven thereof, the following subsection:—

Regulations delegating authority.

"(1A) The Director may with the approval of the Governor in Council make regulations authorizing persons named therein to exercise or perform with respect to such matters as may be specified therein, any of the powers or duties conferred or imposed by this Act on the Director."

**9.** The said Act is further amended by adding thereto the following section:—

Veteran a Member of Parliament.

R. S., c. 147.

"**39.** Nothwithstanding the *Senate and House of Commons Act* or any other law, no veteran by reason only of his entering into a contract or receiving a benefit under this Act, shall be liable for any forfeiture or penalty imposed by the *Senate and House of Commons Act* or disqualified as a member of the House of Commons or incapable of being elected to, or of sitting or voting in the House of Commons."

(3) Self-explanatory.

Clause **8.** Due to the multiplicity of functions to be performed by the Director and the nation-wide scope of the Act it has been found necessary to provide power of delegation to other authorized persons.

Clause **9.** Purpose is to allow veterans who are also Members of the House of Commons to take benefits under Act without jeopardizing their rights as such members.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 234.

An Act to amend the Income War Tax Act.

First reading, December 8, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

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R.S., c. 97; 1928, cc. 12, 30; 1930, c. 24; 1931, c. 35; 1932, cc. 43, 44; 1932-33, cc. 14, 15, 41; 1934, cc. 19, 55; 1935, cc. 22, 40; 1936, cc. 6, 38; 1938, c. 48; 1939 (1st Sess.), c. 46; 1939 (2nd Sess.), c. 6; 1940, c. 34; 1940-41, c. 18; 1942-43, c. 28; 1943-44, cc. 14, 24; 1944-45, c. 43.

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 234.

An Act to amend the Income War Tax Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** (1) Paragraph *(b)* of subsection one of section three of the *Income War Tax Act*, chapter ninety-seven of the Revised Statutes of Canada, 1927, as enacted by section eight of chapter thirty-four of the statutes of 1940, is repealed and the following substituted therefor:—

Contractual annuities.

"*(b)* annuities received under a contract (other than payments described in paragraph *(c)* of this subsection) except a portion of each amount received thereunder that bears the same relation to the whole amount as

(i) if the annuity arose on a death, the amount that the annuitant could, under the contract, have chosen to receive in lieu of the annuity or, if no such choice is provided by the contract, the present value (computed in such manner as the Minister may by regulation prescribe) of the annuity at the time of commencement thereof, or,

(ii) if the annuity did not arise on a death, the amounts paid exclusively for the annuity, computed, in case the contract does not provide for payment of a separate amount therefor, in such manner as the Minister may determine,

bears to the aggregate (computed in the case of an annuity for life on the assumption that the annuitant will live during the period of his normal expectation of life calculated in accordance with mortality tables approved by the Minister) of the annuity for which the contract provides;"

## Explanatory Notes.

Clause **1.** (1) *(b)* This implements Budget Resolution No. 1.

(2) Paragraph *(g)* of the said subsection one of section three, as enacted by section three of chapter forty-eight of the statutes of 1938 and amended by section one of chapter fourteen of the statutes of 1943, is repealed and the following substituted therefor:—

Annuities under a will or trust.

"*(g)* all annuities and other annual payments received under the provisions of a will or trust irrespective of the day on which the will or trust became effective and notwithstanding that the payments are payable at intervals longer or shorter than a year except a payment or portion thereof which can be established by the recipient not to have been paid out of the income of the estate or trust."

(3) Section three of the said Act is further amended by adding the following subsection thereto:—

Payment in respect of loss of office.

"(8) Where the Minister is satisfied that a payment or payments made on or after the thirteenth day of October, nineteen hundred and forty-five by a person to a former employee is in respect of loss of office or employment, one-fifth only of the payment or the aggregate of the payments made in any year shall be deemed, for the purposes of this Act, to be income of the taxpayer in the year it is received and one-fifth thereof shall be so deemed to be income of the taxpayer in each of the four succeeding years in which he is living."

**2.** (1) The first sentence of paragraph *(m)* of section four of the said Act as enacted by section three of Chapter twelve of the statutes of 1928 is repealed and the following substituted therefor:—

Reciprocal shipping and aircraft income tax exemptions.

"The income from the operation of ships or aircraft owned or operated by a non-resident person or corporation, if the country where such person or corporation resides grants an exemption in respect of income earned therein from the operation of ships or aircraft owned or operated by a person or corporation resident in Canada which in the opinion of the Minister is fairly reciprocal to the exemption herein provided."

(2) Subparagraph (ii) of paragraph *(t)* of the said section four, as enacted by subsection two of section three of Chapter fourteen of the Statutes of 1943–44, and paragraph *(x)* of the said section four as enacted by section four of Chapter fourteen of the Statutes of 1943–44, are repealed.

(2) *(g)* This implements Budget Resolution No. 2.

(3) (8) This implements Budget Resolution No. 7.

CLAUSE **2.** (1) The only change is the addition of the words "or aircraft" after the word "ships".

(2) This implements Budget Resolutions Nos. 12 and 13.

(3) Paragraph *(y)* of the said section four as enacted by subsection two of section three of chapter forty-three of the statutes of 1944–45 is repealed and the following substituted therefor:—

Limited dividend housing corporation.

"*(y)* the income of an institutional housing corporation, an institutional holding company or a limited-dividend housing corporation within the meaning of those expressions as defined by *The National Housing Act, 1944*;"

(4) The said section four is further amended by adding the following paragraph thereto:—

Superannuation or pension funds.

"*(z)* the income from the investment of the superannuation or pension funds of a trust established in connection with, or a corporation incorporated for the administration of, an employees' superannuation or pension fund or plan approved by the Minister in respect of its constitution and operations for the taxation year;"

**3.** (1) Paragraph *(ff)* of subsection one of section five of the said Act, as enacted by subsection two of section five of chapter twenty-eight of the statutes of 1942–43, and paragraph *(g)* of the said subsection one of the said section five as enacted by section four of chapter forty-three of the statutes of 1944–45, and paragraph *(h)* of the said subsection one of the said section five as enacted by section six of chapter twelve of the statutes of 1928, are repealed and the following substituted therefor:—

Deductions for superannuation or pension fund.

"*(ff)* an amount that does not exceed nine hundred dollars in respect of the services rendered to an employer by any employee, officer or director within the taxation year and has been actually paid by the employer to an employees' superannuation or pension fund or plan approved by the Minister in respect of its constitution and operations for the taxation year;

Deductions for superannuation or pension fund.

*(g)* in respect of amounts for superannuation or pension funds or plans approved by the Minister in respect of their constitution and operations for the taxation year

(i) an amount not exceeding nine hundred dollars in the taxation year, actually retained by the employer from the remuneration of the taxpayer for an employees' superannuation or pension fund or plan in respect of services rendered in the taxation year or paid by a taxpayer who is a member of a trade union as part of his union dues, and

(ii) an amount not exceeding nine hundred dollars in the taxation year, paid to an employees' superannuation or pension fund or plan by the

(3) *(y)* This implements Budget Resolution No. 14.

(4) *(z)* This implements Budget Resolution No. 3.

CLAUSE **3.** (1) *(ff)* and *(g)* This implements Budget Resolutions Nos. 5 and 6.

taxpayer in respect of services rendered by him previous to the taxation year while he was not a contributor;

Certain pension payments.

*(h)* that portion of a payment out of an employees' superannuation or pension fund or plan the investment income of which has been exempt from taxation under this Act by reason of an election for such exemption by the trustees or corporation administering the fund or plan or a part of such a payment which would otherwise be taxable under this Act, that the aggregate of the amounts paid by the employee into the fund or plan during the period when its income was exempt by reason of such election bears to the total amount paid by him into the fund or plan."

(2) Paragraph *(n)* of subsection one of section five of the said Act as enacted by subsection four of section four of chapter forty-three of the statutes of 1944–45 is repealed and the following substituted therefor:—

Unusual medical expenses.

"*(n)* that portion of medical expenses in excess of four per centum of the income of the taxpayer incurred and paid either by the taxpayer or his legal representatives

(i) within the taxation period,

(ii) within a twelve-month period ending in the taxation period and not included in the calculation of a deduction for medical expenses under this Act for a previous taxation period, or

(iii) in the event of the death of the taxpayer, within a twelve-month period commencing in the taxation period and not included in the calculation of a deduction for medical expenses under this Act for a previous taxation period

if payment is made to a medical practitioner, dentist or nurse qualified to practise under the laws of the place where the expenses are incurred or a public or licensed private hospital in respect of a birth in the family of, illness of or operation upon the taxpayer or his spouse or any dependent in respect of whom he may make a deduction from his normal tax under Rule five of section one of Paragraph A of the First Schedule to this Act; including the salary or wages paid to one full-time attendant upon the taxpayer, his spouse or any such dependent, who was throughout the whole of the taxation period necessarily confined by reason of illness, injury or affliction to a bed or wheelchair and including also the salary or wages paid to one full-time attendant upon the taxpayer, his spouse or any such dependent who was totally blind at any time in the taxation period and required the services of such an attendant; and including an amount expended on an artificial limb, a spinal

(1) *(h)* This implements the proviso in Budget Resolution No. 4.

(2) *(n)* This implements Budget Resolution No. 10.

brace, a brace for a limb or an aid to hearing for the taxpayer, his spouse or any such dependent: Provided that the deduction shall not exceed the aggregate of

(iv) six hundred dollars in the case of a single person, or nine hundred dollars in the case of a married person or person given an equivalent status in respect of rates of tax under this Act (but a husband and wife are entitled to only one such deduction of nine hundred dollars between them), and

(v) one hundred and fifty dollars for each dependent in respect of whom he may make a deduction from his normal tax under Rule five of section one of Paragraph A of the First Schedule to this Act but not exceeding six hundred dollars in respect of such dependents: and

Provided further that payment of the said medical expenses is proven by receipts filed with the Minister;"

**4.** (1) Subsection six, seven and eight of section eight of the said Act as enacted by section eleven of chapter fourteen of the statutes of 1943–44 are repealed and the following substituted therefor:—

Expenditures on dry oil wells.

"(6) A corporation whose principal business is the production, refining or marketing of petroleum or petroleum products is entitled to deduct from

*(a)* the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940,* payable by it in respect of the year of expenditure, and

*(b)* if the deduction permitted under this subsection exceeds the taxes so payable in that year, from the taxes so payable in subsequent years,

an amount equal to

*(c)* twenty-six and two-thirds per centum in the case of a corporation substantially all of whose income is subject to depletion under this Act, or

*(d)* forty per centum in the case of any other corporation,

of the aggregate of drilling and exploration costs, including all general geological and geophysical expenses, incurred by it directly or indirectly on oil wells spudded in during the period from the first day of January, nineteen hundred and forty-three to the thirty-first day of December, nineteen hundred and forty-six and abandoned within six months after completion of drilling.

Exploration and drilling expenses for oil.

(7) A corporation, association, syndicate or exploration partnership formed for the purpose of exploring and drilling for oil is entitled to deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940,* payable by it in respect of the year of expenditure, twenty-six

CLAUSE 4. (1) (6) This implements Budget Resolution No. 16.

(1) (7) This implements Budget Resolution No. 17.

and two-thirds per centum of exploration and drilling expenses incurred during the period from the first day of January, nineteen hundred and forty-three, to the thirty-first day of December, nineteen hundred and forty-six: Provided, however, that where the tax in respect of the year of expenditure is not sufficient to permit the full amount of the deduction, the balance may be deducted in subsequent years whether the income taxable in the subsequent year from which the balance or part thereof is being deducted arose from the well in respect of which the expenses were incurred or from a well subsequently found by such corporation, association, syndicate or exploration partnership.

Exploration and drilling expenses for natural gas.

(8) A corporation, association, syndicate or exploration partnership formed for the purpose of exploring and drilling for natural gas is entitled to deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940*, payable by it in respect of the year of expenditure, thirty per centum of exploration and drilling expenses incurred by it during the period from the first day of January, nineteen hundred and forty-three, to the thirty-first day of December, nineteen hundred and forty-six."

(2) The said section eight is further amended by inserting the following subsection immediately after subsection nine thereof:—

Expenses of searching for minerals.

"(9A) A corporation whose chief business is that of mining or exploring for minerals is entitled to deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940*, payable by it in respect of the year of expenditure, twenty-six and two-thirds per centum of all prospecting, exploration and development expenses incurred by it in searching for minerals during the year nineteen hundred and forty-six: Provided that no such deduction shall be allowed unless the corporation files certified statements of expenditures and satisfies the Minister that it has been actively engaged in prospecting and exploring in Canada for minerals by means of qualified persons and has incurred the said expenditures for such purposes."

(3) Subsection ten of the said section eight, as enacted by subsection four of section six of chapter forty-three of the statutes of 1944–45, is repealed and the following substituted therefor:—

Expenditures on unproductive deep test oil wells.

"(10) A corporation, association, syndicate or exploration partnership whose principal business is production, refining or marketing of petroleum or exploration or drilling for petroleum may, with the consent of the Governor in Council upon the recommendation of the Minister of Mines and Resources, deduct from the aggregate of the taxes under this Act and *The Excess Profits Tax Act, 1940*, payable by it in respect of the year of expenditure, fifty per centum

(1) (8) This implements Budget Resolution No. 18.

(2) (9A) This implements Budget Resolution No. 19.

(3) (10) This implements Budget Resolution No. 20.

of expenditures, not including geological or geophysical expenditures, made in connection with a deep test oil well that was spudded in between the twenty-sixth day of June, nineteen hundred and forty-four and the thirty-first day of December, nineteen hundred and forty-six and that proved to be unproductive, if, in the opinion of the Governor in Council,

*(a)* drilling the oil well is desirable in order to extend the petroleum resources of Canada; and

*(b)* the taxpayer could not reasonably be expected to drill the oil well unless permitted to deduct at least fifty per centum of the expenditures in connection therewith from tax."

**5.** Section nine B of the said Act is amended by inserting the following subsection immediately after subsection five thereof:—

Exemption.

"(6) Subsection two of this section is not applicable in respect of a dividend which is not taxable under this Act by virtue of section ninety-five of this Act."

**6.** (1) Subsection one of section ninety-two of the said Act, as enacted by section thirty-one of chapter twenty-eight of the Statutes of 1942–43 and amended by subsection one of section twenty-seven of chapter fourteen of the statutes of 1943–44, shall be repealed on and after the first day of January, nineteen hundred and forty-six.

(2) The second sentence of subsection seven of the said section ninety-two as enacted in section thirty-one of chapter twenty-eight of the statutes of 1942–43 is repealed.

(3) The following subsection is inserted immediately after subsection seven of the said section ninety-two:—

Priority.

"(7A) Every person who deducts or witholds an amount under this section is liable to pay to His Majesty on the day fixed by or pursuant to subsection two of this section an amount equal to the amount so deducted or withheld and such liability shall constitute a first charge on the assets of such person and shall, notwithstanding the *Bank Act*, the *Bankruptcy Act* or any other statute or law, rank for payment in priority to all other claims, either of His Majesty in right of a province of Canada or any other person, of whatsoever kind heretofore or hereafter arising, save and except only the judicial costs, fees and lawful expenses of an assignee or other public officer charged with the administration or distribution of such assets."

1934, c. 24.
R.S., c. 11.

**7.** The portion of subsection one of section ninety-three of the said Act before paragraph *(a)* thereof, as enacted by section thirty-one of chapter twenty-eight of the statutes of 1942–43, is repealed and the following substituted therefor:—

CLAUSE **5.** (6) This is an exemption from the 15% tax on dividends going to non-residents which is necessary by reason of the special corporation tax which a private company may elect to pay on its undistributed income for its 1917 to 1939 fiscal periods as provided for in section 8 of this Bill.

CLAUSE **6.** (1) This implements Budget Resolution No. 11.

(2) and (3) The sentence being repealed reads as follows:—"In any event the monies so deducted shall be paid over to His Majesty in full in priority to the claims of any secured or unsecured creditors, including any claims of His Majesty in right of any province of Canada." The new subsection (7A) is being enacted in lieu of the sentence repealed to clarify the law and ensure that these trust monies deducted by the employer from his employees' salaries or a sum equivalent to the amounts so deducted are paid over to His Majesty in priority to other secured or unsecured creditors.

CLAUSE **7.** The only change in the section is the addition of the words in brackets "(except the tax computed under section four of Paragraph A of the First Schedule to this Act)." This is the special tax in respect of family allowances which should not be included in the calculation of the deduction to be afforded a taxpayer in respect of what is known as the refundable portion of the tax.

Amount refundable.

"The Minister shall, in respect of any taxes paid, as herein provided, refund to each taxpayer the amount by which either one-half of the taxes which he was liable to pay upon his income for any taxation year after one thousand nine hundred and forty-one (except the tax computed under section four of Paragraph A of the First Schedule to this Act), less the deductions provided by section eight and before any amount was deducted therefrom under section seven A of this Act or the aggregate of"

**8.** The said Act is further amended by inserting the following part immediately after Part XVII thereof:—

## "PART XVIII.

### PRIVATE COMPANIES.

"accumulated undisturbed income."

"private company."

"undistributed income of a company on hand."

**94.** (1) In this Part, unless the context otherwise requires,

*(a)* accumulated undistributed income of a company at any time means the undistributed income of the company on hand at the end of the last fiscal period that terminated before that time;

*(b)* 'private company' means a company the number of whose shareholders has not, at any time since the twenty-ninth day of April, nineteen hundred and forty-one, been more than fifty, not including persons who are in the employment of the company or who, having been formerly in the employment of the company, were while in that employment and have continued after the termination of that employment to be shareholders of the company, two or more persons holding one or more shares jointly being counted as a single shareholder for the purposes of this paragraph; and

*(c)* undistributed income of a company on hand at the end of a specified fiscal period means the amount by which the aggregate of

(i) the income of the company calculated in accordance with this Act for each of its fiscal periods beginning with the period that ended in nineteen hundred and seventeen and ending with the specified period, and

(ii) the income of the company in each of the said periods that was not liable to taxation under this Act,

exceeds the aggregate of

(iii) all operating losses sustained by the company during the said periods,

(iv) the amount by which all capital losses sustained in the said periods by the company exceeds all capital profits of the company in the said periods,

CLAUSE **8.** These are the provisions to implement Budget Resolutions Nos. 8 and 9.

(v) the dividends paid by the company during the said periods except dividends that were paid exclusively out of a surplus or accumulated profits on hand prior to the first day of January, nineteen hundred and seventeen and that were not taxable as income of the shareholder,

(vi) all income tax, business profits tax and excess profits tax paid by the company in respect of the said periods,

(vii) expenses incurred or disbursements made by the company during the said periods but not allowed as a deduction from income under this Act, and

(viii) that part of the income of the company for the said fiscal periods that has been taxed in the hands of its shareholders under section twenty-one of this Act and has not been paid out by way of dividends during the said periods,

and when the specified period ended in nineteen hundred and thirty-nine, includes an amount received after the end of that period by way of dividend from a company that has elected and paid the tax, if any, payable under this Part if the dividend was not taxable under this Act by reason of section ninety-five of this Act.

Shares jointly held.

(2) Where two or more persons hold shares jointly they shall be deemed, for the purposes of this Part, to be one shareholder.

When dividends exempt.

**95.** (1) A dividend received from a private company is not taxable under this Act if

*(a)* the company has elected to pay tax under this Part and has paid all the tax that it has so elected to pay,

*(b)* the dividend was paid out of accumulated undistributed income of the company, and

*(c)* the aggregate of all dividends paid by the company out of accumulated undistributed income after the election and on or before the day on which the particular dividend was paid is not greater than the amount on which tax has been paid by the company under this Part less the amount of the said tax.

(2) Of the dividends paid by a company in a fiscal period, an amount equal to the income of the company in the immediately preceding fiscal period less taxes paid by the company thereon shall be deemed, for the purposes of this Part, not to have been paid from accumulated undistributed income unless the company, in any fiscal period, has, after the election, paid dividends equal to or greater than the amount on which it has paid tax under this Part less the amount of the said tax.

Election to pay special corporation tax.

**96.** (1) A private company may elect in such manner as may be prescribed by regulations, on or before the thirty-first day of December, nineteen hundred and forty-seven, to be assessed and pay a tax, computed in the manner set out in subsection two of this section, on an amount equal to its undistributed income on hand at the end of its nineteen hundred and thirty-nine fiscal period or its undistributed income on hand at the end of the fiscal period that terminates nearest the time when it so elects, whichever is the lesser.

Rates.

(2) Tax payable under this section is the aggregate of the amounts calculated by application of the following table:—

On the first $25,000 of each portion, or any part thereof, 15 per centum;

$3,750 on a portion of $25,000 and 18 per centum on the amount by which the portion exceeds $25,000 and does not exceed $50,000;

$8,250 on a portion of $50,000 and 21 per centum on the amount by which the portion exceeds $50,000 and does not exceed $100,000;

$18,750 on a portion of $100,000 and 24 per centum on the amount by which the portion exceeds $100,000 and does not exceed $200,000;

$42,750 on a portion of $200,000 and 27 per centum on the amount by which the portion exceeds $200,000 and does not exceed $300,000;

$69,750 on a portion of $300,000 and 30 per centum on the amount by which the portion exceeds $300,000 and does not exceed $400,000;

$99,750 on a portion of $400,000 and 33 per centum on the amount by which the portion exceeds $400,000;

to the respective portions of the amount on which the tax is payable to which the various persons who held shares in the company on the thirty-first day of December, nineteen hundred and forty-four would have been entitled if the said amount had been distributed by way of a dividend on that day but excluding any portion in respect of which the recipient would not, in that event, have been taxable under this Act.

Payment.

(3) A private company that has elected to pay tax under this section shall either

*(a)* pay the tax on or before the thirty-first day of December, nineteen hundred and forty-six; or

*(b)* pay the tax in four equal annual instalments commencing on the thirty-first day of December, nineteen hundred and forty-seven together with interest at the rate of four per centum per annum on each instalment from the thirty-first day of December, nineteen hundred and forty-six to the day of payment.

Interest.

(4) Where an instalment of the tax imposed by this section or any part thereof has not been paid as required by subsection three of this section, the company shall pay a penalty of three per centum of the unpaid amount per annum from the day on which the instalment should have been paid to the day of payment.

Returns.

(5) A company that has elected to pay tax under this section shall file such returns at such time and in such manner as may be prescribed by regulations in addition to any other returns required to be made under this Act."

**9.** Paragraph A of the First Schedule to the said Act is amended by adding the following section thereto:

Family allowances.

"Section 4.—TAX PAYABLE BY PERSONS BENEFITING FROM BOTH FAMILY ALLOWANCES UNDER THE FAMILY ALLOWANCES ACT, 1944 AND ALLOWANCES UNDER THIS ACT FOR CHILDREN.

*Rule 1.*—A taxpayer who is entitled to a deduction from tax under Rule 5 of section 1 or Rule 3 of section 2 of this Paragraph on account of a child in respect of whom an allowance has been paid during the taxation year under *The Family Allowances Act, 1944* shall, except in the cases to which Rule 2 of this section applies, pay a tax in respect of each such child, in addition to the normal tax and the graduated tax, equal to a percentage of the allowances so paid determined in the following tables by reference to the income of the taxpayer in the taxation year and, in 1946 and subsequent taxation years, by reference to the number of dependents in respect of whom he is so entitled to a deduction:

1944-45, c. 40.

1. PERCENTAGES FOR 1945 TAXATION YEAR

MARRIED PERSONS.

| Income | | Percentages |
|---|---|---|
| Over | but not over | |
| $1,200 | $1,400 | 10 |
| 1,400 | 1,600 | 20 |
| 1,600 | 1,800 | 30 |
| 1,800 | 2,000 | 40 |
| 2,000 | 2,200 | 50 |
| 2,200 | 2,400 | 60 |
| 2,400 | 2,600 | 70 |
| 2,600 | 2,800 | 80 |
| 2,800 | 3,000 | 90 |
| 3,000 | | 100 |

CLAUSE **9.** These are the provisions to implement Budget Resolution No. 22 regarding family allowances.

SINGLE PERSONS

| Income | | Percentages |
|---|---|---|
| Over | but not over | |
| $ 660 | $ 800 | 10 |
| 800 | 900 | 20 |
| 900 | 1,000 | 30 |
| 1,000 | 1,100 | 40 |
| 1,100 | 1,200 | 50 |
| 1,200 | 1,300 | 60 |
| 1,300 | 1,400 | 70 |
| 1,400 | 1,500 | 80 |
| 1,500 | 1,600 | 90 |
| 1,600 | | 100 |

2. PERCENTAGES FOR 1946 AND SUBSEQUENT TAXATION YEARS

MARRIED PERSONS.

| Income | | Percentages | |
|---|---|---|---|
| | | 1, 2 or 3 | 4 or more |
| Over | but not over | dependents | dependents |
| $1,300 | $1,400 | 5 | — |
| 1,400 | 1,600 | 15 | 10 |
| 1,600 | 1,800 | 25 | 20 |
| 1,800 | 2,000 | 35 | 30 |
| 2,000 | 2,200 | 45 | 40 |
| 2,200 | 2,400 | 55 | 50 |
| 2,400 | 2,600 | 65 | 60 |
| 2,600 | 2,800 | 75 | 70 |
| 2,800 | 3,000 | 85 | 80 |
| 3,000 | 3,200 | 95 | 85 |
| 3,200 | 3,400 | 100 | 90 |
| 3,400 | 3,600 | 100 | 95 |
| 3,600 | | 100 | 100 |

SINGLE PERSONS.

| Income | | Percentages | |
|---|---|---|---|
| | | 1 or 2 | 3 or more |
| Over | but not over | dependents | dependents |
| $ 700 | $ 800 | 5 | — |
| 800 | 900 | 15 | 10 |
| 900 | 1,000 | 25 | 20 |
| 1,000 | 1,100 | 35 | 30 |
| 1,100 | 1,200 | 45 | 40 |
| 1,200 | 1,300 | 55 | 50 |
| 1,300 | 1,400 | 65 | 60 |
| 1,400 | 1,500 | 75 | 70 |
| 1,500 | 1,600 | 85 | 80 |
| 1,600 | 1,700 | 95 | 85 |
| 1,700 | 1,800 | 100 | 90 |
| 1,800 | 1,900 | 100 | 95 |
| 1,900 | | 100 | 100 |

*Rule* 2.—A taxpayer who is entitled to a deduction from tax under Rule 5 of section 1 or Rule 3 of section 2 of this Paragraph on account of a child in respect of whom an allowance has been paid during the taxation year under *The Family Allowances Act, 1944*, shall, where more than fifty per centum of his income for the taxation year consists of service pay and allowances received as a member of the Canadian Naval, Military and Air Forces in the Canadian Active Service Forces, pay a tax in respect of each such child, in addition to the normal tax and the graduated tax, equal to a percentage of the allowances so paid determined in the following tables by reference to the income of the taxpayer in the taxation year and, in nineteen hundred and forty-six and subsequent taxation years, by reference to the number of dependents in respect of whom he is so entitled to a deduction:—

1. Percentages for 1945 Taxation Year

MARRIED PERSONS.

| Income | | Percentages |
|---|---|---|
| Over | but not over | |
| $2,100 | $2,150 | 10 |
| 2,150 | 2,200 | 20 |
| 2,200 | 2,250 | 30 |
| 2,250 | 2,300 | 40 |
| 2,300 | 2,350 | 50 |
| 2,350 | 2,400 | 60 |
| 2,400 | 2,600 | 70 |
| 2,600 | 2,800 | 80 |
| 2,800 | 3,000 | 90 |
| 3,000 | | 100 |

SINGLE PERSONS.

| Income | | Percentages |
|---|---|---|
| Over | but not over | |
| $1,600 | $1,650 | 10 |
| 1,650 | 1,700 | 20 |
| 1,700 | 1,750 | 30 |
| 1,750 | 1,800 | 40 |
| 1,800 | 1,850 | 50 |
| 1,850 | 1,900 | 60 |
| 1,900 | 2,000 | 70 |
| 2,000 | 2,100 | 80 |
| 2,100 | 2,200 | 90 |
| 2,200 | | 100 |

2. PERCENTAGES FOR 1946 AND SUBSEQUENT TAXATION YEARS.

MARRIED PERSONS.

| Income | | Percentages | |
|---|---|---|---|
| | | 1, 2 or 3 | 4 or more |
| Over | but not over | dependents | dependents |
| $2,100 | $2,150 | 5 | — |
| 2,150 | 2,200 | 15 | 10 |
| 2,200 | 2,250 | 25 | 20 |
| 2,250 | 2,300 | 35 | 30 |
| 2,300 | 2,350 | 45 | 40 |
| 2,350 | 2,400 | 55 | 50 |
| 2,400 | 2,600 | 65 | 60 |
| 2,600 | 2,800 | 75 | 70 |
| 2,800 | 3,000 | 85 | 80 |
| 3,000 | 3,200 | 95 | 85 |
| 3,200 | 3,400 | 100 | 90 |
| 3,400 | 3,600 | 100 | 95 |
| 3,600 | | 100 | 100 |

SINGLE PERSONS.

| Income | | Percentages | |
|---|---|---|---|
| | | 1 or 2 | 3 or more |
| Over | but not over | dependents | dependents |
| $1,600 | $1,650 | 5 | — |
| 1,650 | 1,700 | 15 | 10 |
| 1,700 | 1,750 | 25 | 20 |
| 1,750 | 1,800 | 35 | 30 |
| 1,800 | 1,850 | 45 | 40 |
| 1,850 | 1,900 | 55 | 50 |
| 1,900 | 2,000 | 65 | 60 |
| 2,000 | 2,100 | 75 | 70 |
| 2,100 | 2,200 | 85 | 80 |
| 2,200 | 2,300 | 95 | 85 |
| 2,300 | 2,400 | 100 | 90 |
| 2,400 | 2,500 | 100 | 95 |
| 2,500 | | 100 | 100 |

*Rule 3.*—For the purposes of this section a taxpayer shall be deemed to be a married person if he is entitled to a deduction from tax under Rule 3 of section 2 of this Paragraph."

**10.** Rule two of section three of Paragraph A of the First Schedule to the said Act is amended by repealing that part of the said Rule that precedes the first proviso thereto, as enacted by subsection one of section twenty-nine of chapter forty-three of the statutes of 1944–45, and substituting the following therefor:—

Basic income.

"*Rule 2.*—The tax payable by any member of the Canadian Naval, Military and Air Forces in the Canadian Active Service Forces in Canada and in receipt of service pay and allowances (exclusive of subsistence allowances up to one dollar and seventy cents per day and marriage and dependents' allowances) at a rate of one thousand six hundred dollars or more per annum shall be reduced by a credit from the tax otherwise payable (before any amount was deducted therefrom under section 7A of this Act and in respect of the 1944 taxation period before one-half of the amount that would otherwise be refunded to the taxpayer under subsection one of section ninety-three was deducted therefrom and in respect of the 1945 or a subsequent taxation period before the whole amount that would otherwise be refunded to the taxpayer under subsection one of section ninety-three was deducted therefrom) of an amount equal to the tax payable on one thousand six hundred dollars (before any amount was deducted therefrom under section 7A of this Act and in respect of the 1944 taxation period before one-half of the amount that would otherwise be refunded to the taxpayer under subsection one of section ninety-three was deducted therefrom and in respect of the 1945 or a subsequent taxation period before the whole amount that would otherwise be refunded to the taxpayers under subsection one of section ninety-three was deducted therefrom) in the case of a single person without dependents (or such amount appropriately increased by marriage and dependents' allowances which would be payable if he held the highest rank of warrant or non-commissioned officer in the Service to which he belongs but not including any allowance for more than six children)."

Deductions in respect of 1946 and subsequent years.

**11.** Notwithstanding anything in the *Income War Tax Act*, a taxpayer may deduct from the tax otherwise payable under the said Act in respect of the nineteen hundred and forty-six taxation year or any subsequent taxation year, in addition to the deductions from tax for which provision is made in the said Act, the amount that would otherwise be refunded to the taxpayer under subsection one of section ninety-three of the said Act; and the Minister shall make no refund in respect of taxes for the nineteen hundred and forty-six taxation year or any subsequent taxation year under the said subsection one.

CLAUSE **10.** The only change is the addition of the words "or a subsequent taxation period" after the figures "1945" where they occur in two places in Rule 2.

CLAUSE **11.** This carries forward for 1946 and subsequent taxation periods the reduction in the total tax payable by an individual under the rates set forth in the schedule of the full amount of the refundable portion thereof less credits for savings.

Deduction in respect of 1945.

**12.** (1) Notwithstanding anything in the *Income War Tax Act*, a taxpayer, other than a corporation or joint stock company, may deduct from the tax otherwise payable under the said Act in respect of the nineteen hundred and forty-five taxation year, in addition to the deductions from tax for which provision is made in the said Act, four per centum of the aggregate of the taxes that would otherwise be payable in respect of the said year under subsections one and three of section nine thereof (except the tax computed under section four of Paragraph A of the First Schedule to the said Act) after making the deduction permitted by section thirty-one of chapter forty-three of the Statutes of nineteen hundred and forty-four.

Deduction in respect of 1946.

(2) Notwithstanding anything in the *Income War Tax Act*, a taxpayer, other than a corporation or joint stock company, may deduct from the tax otherwise payable under the said Act in respect of the nineteen hundred and forty-six taxation year, in addition to the deductions from tax for which provision is made in the said Act, sixteen per centum of the aggregate of the taxes that would otherwise be payable in respect of the said year under subsections one and three of section nine thereof (except the tax computed under section four of Paragraph A of the First Schedule to the said Act) after making the deduction permitted by section eleven of this Act.

Certain transactions in Province of Alberta bonds.

**13.** (1) Where a person has, between the thirty-first day of January and the seventh day of August, nineteen hundred and forty-five, purchased bonds or debentures of or guaranteed by the Province of Alberta that were outstanding on the thirty-first day of January, nineteen hundred and forty-five and included in the debt reorganization proposal of the provincial government dated the sixteenth day of July, nineteen hundred and forty-five, there shall be assessed, levied and paid a tax payable by the purchaser on or before the thirtieth day of April, nineteen hundred and forty-six equal to

*(a)* the difference between his purchase price and selling price in the event that he has resold before the said proposal became effective, or

*(b)* the difference between the purchase price and the aggregate of the value of all rights accruing to the purchaser upon the implementation of the said debt reorganization proposal.

(2) If the tax imposed by this section is not paid as required, the purchaser shall pay interest thereon at the rate of seven per centum per annum from the day when the tax should have been paid.

(3) A person who has, between the thirty-first day of January and the seventh day of August, nineteen hundred and forty-five, purchased bonds or debentures of or guaran-

CLAUSE **12.** (1) This implements Budget Resolution No. 21 *(a)*.

(2) This implements Budget Resolution No. 21 *(b)*.

CLAUSE **13.** This implements Budget Resolution No. 15.

teed by the Province of Alberta that were outstanding on the thirty-first day of January, nineteen hundred and forty-five, and included in the debt reorganization proposal of the provincial government dated the sixteenth day of July, nineteen hundred and forty-five, shall file such returns at such time and in such manner as may be prescribed by regulations.

(4) Sections forty-one to eighty-seven inclusive of the *Income War Tax Act* are applicable *mutatis mutandis* as if the tax payable under this section were a tax payable under the said Act.

Application.

**14.** (1) Subsection two of section three of this Act is applicable to income of the nineteen hundred and forty-four taxation year and subsequent taxation years and to tax payable on income of the said year.

(2) Subsections one and two of section one and section nine of this Act are applicable to income of the nineteen hundred and forty-five taxation year and subsequent taxation years and to tax payable on income of the said years.

(3) Subsections two, three and four of section two and subsection one of section three of this Act are applicable to income of the nineteen hundred and forty-six taxation year and subsequent taxation years and to tax payable on income of the said years.

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235.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 235.

An Act to amend The Excess Profits Tax Act, 1940.

First reading, December 8, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

51480

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 235.

An Act to amend The Excess Profits Tax Act, 1940.

1940, c. 32; 1940-41, c. 15; 1942-43, c. 26; 1943-44, c. 13; 1944-45, c. 38.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Paragraph *(c)* of subsection one of section two of *The Excess Profits Tax Act, 1940*, chapter thirty-two of the statutes of 1940, is repealed and the following substituted therefor:—

"excess profits."

"*(c)* 'excess profits' means

(i) in the case of a corporation or joint stock company that has filed a consolidated return for the taxation period pursuant to subsection three of section thirty-five of the *Income War Tax Act*, R.S., c. 97. the amount by which the consolidated profits of the taxpayer and its subsidiaries exceed one hundred and seventeen and two hundred and forty-one one thousandths per centum of the standard profits of the taxpayer and its subsidiaries as determined under section four A of this Act;

(ii) in the case of a corporation or joint stock company that has not filed a consolidated return for the taxation period, the amount by which the profits of the taxpayer exceed one hundred and sixteen and six hundred and sixty-six one thousandths per centum of the standard profits of the taxpayer; and

(iii) in the case of a person other than a corporation or joint stock company, the amount by which the profits of the taxpayer exceed one hundred and seventeen and six hundred and forty-seven one thousandths per centum of his standard profits."

**2.** Section three of the said Act, as enacted by section two of chapter twenty-six of the statutes of 1942-43 and amended by section one of chapter thirteen of the statutes

EXPLANATORY NOTES.

**1.** This amendment implements Budget Resolutions Number 2, 3 *(b)* and 3 *(c)*, in part.

It provides a new definition of excess profits which are subject to the maximum rates of tax. The percentages of standard profits herein mentioned are those above which profits became subject to the maximum rates of tax before this amendment.

**2.** This amendment implements Budget Resolutions Number 1, 2, 3 and 5, in part.

It provides for the charging of taxpayers with the new rates of tax, and also that a business coming into existence after October 12 whose ownership is not substantially different from that of its predecessor, will not enjoy the lower rate of tax on the profits of its first fiscal period.

of 1943-44 and section one of chapter thirty-eight of the statutes of 1944-45, is repealed and the following substituted therefor:—

Persons liable to tax.

"**3.** (1) In addition to any other tax or duty payable under any Act, there shall be assessed, levied and paid

*(a)* a tax in accordance with the rates set out in the First Part of the Second Schedule to this Act upon the profits during the taxation period of every corporation or joint stock company residing or ordinarily resident in Canada or carrying on business in Canada, and

*(b)* a tax in accordance with the rates set out in the Second Part of the Second Schedule to this Act upon the excess profits of every person residing or ordinarily resident in Canada or carrying on business in Canada:

Proviso.

Provided that where a person acts in the capacity of trustee in a case where an oil or gas well is operated under an arrangement whereby a person other than the operator has an interest in the proceeds of the sale of the products thereof, such proceeds shall nevertheless be deemed, for the purposes of this Act, to be received by the trustee on his own behalf and he shall be taxed in respect thereof under this subsection, except paragraph *(b)* hereof, as though he were a corporation; and

Proviso.

Provided further, that where a person, other than a controlled company whose standard profit is restricted by section fifteen A of this Act, in the opinion of the Minister,

(i) has commenced business after the twenty-sixth day of June, nineteen hundred and forty-four, or

(ii) carried on a substantially different business to which subsection four of section five of this Act is applicable and uses therein physical assets substantially different from those he used in the business he previously carried on,

the tax imposed by paragraph *(b)* of this subsection is not applicable to the profits of the first fiscal period of the new business or to the profits of the first fiscal period in which the said subsection four becomes applicable, as the case may be, unless, in the case of a person who has commenced business after the twelfth day of October, nineteen hundred and forty-five, a person or persons who have a substantial interest in the business either by ownership of shares in the company that operates the business or by being members of the partnership that operates the business or otherwise, had, in the opinion of the Minister, either by ownership of shares in the company that operated the business or by being members of the partnership that operated the business or otherwise, a substantial interest in a previous business of which the new business is, in the opinion of the Minister, a continuation.

Tax not to operate to reduce profits.

R.S., c. 97.

(2) The aggregate of the taxes exigible under paragraph two of the First Part of the Second Schedule to this Act and under the *Income War Tax Act* shall in no case operate to reduce the profits of a taxpayer below the amount to which they would be reduced by the aggregate of the taxes exigible under paragraph one of the said First Part and under the *Income War Tax Act* if the taxpayer's profits, before providing for any payment to a shareholder by way of salary, interest or otherwise, were

*(a)* five thousand dollars; or

*(b)* if the fiscal period is less than twelve months that portion of five thousand dollars that the number of days in the fiscal period is of three hundred and sixty-five days."

**3.** The said Act is further amended by inserting the following section immediately after section five A thereof:—

Deduction in lieu of salary.

"**5B.** (1) If, after deducting the amount, if any, allowed in lieu of salary under paragraph *(b)* of subsection two of section six of this Act and affer adjustments, if any, have been made under paragraphs *(b)* and *(c)* of subsection one of section four, the standard profits of a taxpayer other than a controlled company whose standard profit is restricted by section fifteen A are an amount less than twenty-five thousand dollars, they shall be increased by fifty per centum of the difference between that amount and twenty-five thousand dollars.

Applicable to certain standard profits.

(2) Subsection one of this section is not applicable to standard profits that are determined by subsection one of section four A of this Act but is applicable in determining the standard profits referred to in paragraph *(a)* of that subsection."

**4.** That portion of subsection one of section six of the said Act preceding paragraph *(b)* thereof is repealed and the following substituted therefor:—

Deductions from profits by Corporation or Company.

"**6.** (1) A corporation or joint stock company is entitled, in respect of any taxation period, to deduct from profits for the purpose of computing the tax imposed by paragraph *(b)* of subsection one of section three of this Act."

Repeal.

**5.** (1) Paragraph *(c)* of section seven of the said Act is repealed.

(2) The said section seven is further amended by adding the following paragraph thereto:

Base metal and strategic mineral mines.

"*(h)* the profits of any corporation or joint stock company derived from the operation of any metalliferous or industrial mineral mine which comes into production on or after the first day of January, one thousand nine hundred and forty-six. The Minister, having regard to the production of ore in reasonable com-

**3.** This amendment implements Resolution Number 4.

**4.** This amendment is ancillary to the amendment making the new rates of tax applicable to corporations.

**5.** (1) This amendment is ancillary to the amendment making the new rates of tax applicable to individuals.

(2) This amendment implements Resolution Number 6.

mercial quantities, shall determine which mines, whether new or old, qualify under this paragraph and shall issue a certificate stating the date upon which any mine is deemed to have come into production. In this paragraph, "industrial mineral mine" means an industrial mineral mine that has been certified by the Minister of Mines and Resources to be operating on mineral deposits other than bedded deposits and for this purpose "bedded deposits" include deposits of building stone."

"industrial mineral mine."

"bedded deposits."

The Minister may make any regulations deemed necessary for carrying this paragraph *(h)* into effect.

Repeal.

**6.** Section seven A of the said Act is repealed.

Instalment payment.

**7.** Section eleven of the said Act as enacted by section four of chapter thirteen of the statutes of 1943-44 is amended by deleting the words "five per centum per annum" wherever they appear in the section and substituting the words "four per centum per annum" therefor and by deleting the words "eight per centum per annum" wherever they appear therein and substituting the words "seven per centum per annum" therefor.

**8.** The Second Schedule to the said Act is repealed and the following substituted therefor:

"SECOND SCHEDULE

FIRST PART—

Where profits before deduction are $5,000 or less.

1. Where the profits of a corporation or joint stock company in the taxation year before deduction therefrom of any tax paid thereon under the *Income War Tax Act* or any payment to a shareholder by way of salary, interest or otherwise, are five thousand dollars or less, twelve per centum of the profits before deduction therefrom of any tax paid under the *Income War Tax Act*, except in the case of a taxpayer referred to in subparagraph *(b)* of paragraph two of this Part.

2. Where the profits of a corporation or joint stock company in the taxation year before deduction therefrom of any tax paid thereon under the *Income War Tax Act* or any payment to a shareholder by way of salary, interest or otherwise, are more than :—

Over $5,000.

*(a)* five thousand dollars; or

Fiscal period less than 12 months.

*(b)* if the fiscal period is less than twelve months the portion of five thousand dollars that the number of days in the fiscal period is of three hundred and sixty-five days;

**6.** This amendment is ancillary to the amendment making the new rates of tax applicable to corporations.

**7.** This amendment provides that a uniform rate of interest shall be applicable to all taxpayers.

**8.** This amendment implements Resolutions Number 1, 2 and 3 in part.

It reduces the rates of tax.

twenty-two per centum of the profits before deduction therefrom of any tax paid under the *Income War Tax Act*.

SECOND PART—

Rate of tax. In the case of corporations or joint stock companies twenty per centum of the excess profits and in the case of persons other than corporations or joint stock companies sixty per centum of the excess profits."

No refunds. **9.** (1) The Minister shall not make any refund under section eighteen of *The Excess Profits Tax Act, 1940*, in respect of periods ending on the thirty-first day of December, nineteen hundred and forty-six or thereafter.

Refunds. (2) Nothwithstanding section eighteen of *The Excess Profits Tax Act, 1940*, the Minister shall refund thereunder in respect of a fiscal period ending in nineteen hundred and forty-six before the thirty-first day of December, that portion of the amount that would otherwise be refundable under section eighteen of the said Act that the number of days in the fiscal period in nineteen hundred and forty-five is of the number of days in the fiscal period.

Application of sections 1, 2, 3, 4, ss. (1) of sec. 5, and sections 6 and 8. **10.** (1) Subject to subsections two and three of this section, sections one, two, three and four, subsection one of section five and sections six and eight of this Act are applicable to fiscal periods ending in nineteen hundred and forty-six and thereafter.

Application of 2nd proviso to ss. (1) of s. 3. (2) The second proviso to subsection one of section three of *The Excess Profits Tax Act, 1940*, as enacted by section two of this Act is applicable to the first fiscal period of a business commenced after the twelfth day of October, nineteen hundred and forty-five.

Aggregate. (3) Tax under *The Excess Profits Tax Act, 1940*, for a fiscal period ending in nineteen hundred and forty-six before the thirty-first day of December is the aggregate of:—

*(a)* that portion of the tax that would be payable on the profits for the fiscal period if *The Excess Profits Tax Act, 1940*, had not been amended by the provisions referred to in subsection one of this section that the number of days in the fiscal period in nineteen hundred and forty-five is of the number of days in the fiscal period; and

*(b)* that portion of the tax that would be payable on the profits for the fiscal period if the provisions referred to in subsection one of this section were applicable to the whole fiscal period that the number of days in the fiscal period in nineteen hundred and forty-six is of the number of days in the fiscal period.

Application of section 7. (4) Section seven of this Act is applicable to the tax payable on the profits of fiscal periods ending in nineteen hundred and forty-four and thereafter.

**9.** This amendment implements Resolution Number 3, in part.

It repeals the section providing for the refundable portion in respect of profits earned after January 1, 1946.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 236.

An Act to amend The Dominion Succession Duty Act.

First reading, December 8, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

51454

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 236.

An Act to amend The Dominion Succession Duty Act.

1940-41, c. 14; 1942-43, c. 25; 1944-45, c. 37.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section seven of *The Dominion Succession Duty Act*, chapter fourteen of the statutes of 1940-41, as amended by sections four, five, six, seven and eight of chapter twenty-five of the statutes of 1942-43, is further amended by adding the following subsection thereto:

Valuation in cases of quick successions.

"(6) Where duty has become payable upon or in respect of the succession to any property passing upon the death of any person, and subsequently within five years duty has, on the death of the person to whom the property passed on the first death, again become payable upon or in respect of the same property or any part thereof or property which can be identified as having been acquired in exchange therefor, the value of the property included in both successions shall, for the purposes of computing the aggregate net value and dutiable value in respect of the second succession, be deemed to be an amount equal to

*(a)* where the second death occurs within one year of the first death, fifty per centum,

*(b)* where the preceding paragraph is not applicable and the second death occurs within two years of the first death, sixty per centum,

*(c)* where the preceding paragraphs are not applicable and the second death occurs within three years of the first death, seventy per centum,

*(d)* where the preceding paragraphs are not applicable and the second death occurs within four years of the first death, eighty per centum, and

*(e)* where the preceding paragraphs are not applicable and the second death occurs within five years of the first death, ninety per centum,

of its fair market value."

## Explanatory Note.

**1.** The purpose of this amendment is to reduce the valuation of property previously taxed in cases where the successor dies within a period of five years after the death of the original owner.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 237.

An act to amend the Special War Revenue Act.

First reading, December 8, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

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R.S., c. 179; 1928, c. 50; 1929, c. 57; 1930, c. 43; 1931, c. 54; 1932, c. 54; 1932-33, c. 50; 1934, c. 42; 1935, c. 33; 1936, c. 45; 1937, c. 41; 1938, c. 52; 1939, c. 52; 1939 (2nd Sess.), c. 8; 1940, c. 41; 1940-41, cc. 1, 27; 1942-43, c. 32; 1943-44, c. 11; 1944-45, c. 48.

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 237.

An Act to amend the Special War Revenue Act.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Tax on certain insurance companies upon net premiums.

**1.** Section fourteen of the *Special War Revenue Act*, chapter one hundred and seventy-nine of the Revised Statutes of Canada, 1927, as enacted by section five of chapter thirty-two of the statutes of 1942-43, is amended by adding thereto the following subsection:—

Tax reduced by amount payable under foreign law.

"(5) Where a company that would otherwise be liable to pay the tax in respect of a premium imposed by the preceding provisions of this section, or in the case of reinsurance, the principal company, is subject to tax in respect of the premium under the laws of another country or a province or state of another country, the tax payable in respect of the premium under this section is, unless the premium is of one of the classes described by subsection four of this section, reduced by the amount of the tax so payable under the foreign law."

**2.** Subsection one of section eighty A of the said Act, as enacted by section twenty-two of chapter thirty-two of the statutes of 1942-43, is repealed and the following substituted therefor:—

Furs.

"**80**A. (1) There shall be imposed, levied and collected, an excise tax equal to ten per cent of the current market value of all dressed furs, dyed furs and dressed and dyed furs,—

(i) imported into Canada, payable by the importer or transferee of such goods before they are removed from the custody of the proper customs officer, or

(ii) dressed, dyed, or dressed and dyed in Canada, payable by the dresser or dyer at the time of delivery by him."

EXPLANATORY NOTES.

**1.** The tax under section 14 is based on the place of payment of the premium regardless of the residence or location of the persons or property insured; in some other jurisdictions, such as some of the States of the United States, the basis is the place of residence or location of the persons or property insured regardless of the place of payment of the premium. It follows that in some cases a premium may be taxed both in the State of origin and in Canada and, in that event, the amendment provides that the premium shall be exempt from tax in Canada.

The new section will deny the said exemption if the premium taxed elsewhere than in Canada is paid in respect of a policy covering a person resident, or property situate, in Canada at the time the policy was effected or renewed.

**2.** This section brings into effect the reduction from 25 per cent. to 10 per cent. on furs dressed or dyed in Canada.

**3.** Section eighty B of the said Act, as enacted by section two of chapter forty-eight of the statutes of 1944-45, is repealed and the following substituted therefor:—

Fur content of garments, etc.

"**80B.** There shall be imposed, levied and collected an excise tax equal to ten per cent. of the current market value of the fur contained in any garment, robe, or other article imported into Canada, payable by the importer or transferee of such goods before they are removed from the custody of the proper customs officer."

**4.** Paragraph *(f)* of section eighty-five of the said Act, as enacted by section eleven of chapter eleven of the statutes of 1943-44, is repealed and the following substituted therefor:—

"Producer or manufacturer."

"*(f)* Producer or manufacturer" shall include any printer, publisher, lithographer or engraver, any dresser or dyer of furs, any person who makes, repairs or remodels fur garments, any packer of olives, and any commercial artist."

Repeal.

**5.** Section eighty-eight A of the said Act, as enacted by section eleven of chapter forty-one of the statutes of 1940, is repealed.

**6.** Subsection three of section eighty-nine of the said Act, as enacted by section twelve of chapter forty-one of the statutes of 1940, is repealed and the following substituted therefor:—

Further articles exempted.

"(3) The taxes imposed by Parts X to XIII inclusive, and by Part XVII of this Act shall not apply to goods imported under Customs Tariff item 703."

Schedule I repealed and new.

**7.** Schedule I of the said Act, as enacted by section fourteen of chapter twenty-seven of the statutes of 1940-41 and amended by section thirty-seven of chapter thirty-two of the statutes of 1942-43, is repealed and Schedule I to this Act is substituted therefor as Schedule I to the said Act.

Schedule III repealed and new.

**8.** Schedule III of the said Act, as enacted by section seven of chapter fifty-two of the statutes of 1938 and amended by section four of chapter fifty-two of the statutes of 1939 (1st session), section four of chapter eight of the

**3.** This section brings into effect the reduction in the excise tax from 25 per cent. to 10 per cent. on furs imported into Canada.

**4.** In order to ascertain that furs used in repair of garments shall not have an advantage over those used in the manufacture of the garments, it is necessary to require that dressers or dyers of furs shall be liable to the sales tax.

Added words are underlined.

**5.** Section **88A** imposed the war exchange tax and this is now repealed.

**6.** This subsection is amended to delete the requirement that the war exchange tax should apply to goods imported by Canadian citizens returning after forty-eight hours' absence abroad and also to provide exemption in those cases for goods, subject to the retail purchase tax, imported by such persons.

**7.** Schedule I is amended to provide reductions in the excise taxes on automobiles, cameras, photographic films and plates, projectors, phonographs, record-playing devices and radio broadcasting receiving sets to the new rates brought into effect by Order in Council on May 14th last, and to delete from the Schedule the many items that were completely exempted from this tax by the same Order; also, to embody the provisions of the Orders in Council providing exemption for pay telephones, turnstiles for collecting tolls or charges, coin operated locking devices and gas, electric or parking meters. A change was also made in the proviso affecting automobiles to bring the wording into conformity with that used for sales tax.

**8.** Schedule III of the Act is amended to bring into effect the exemption provided for machinery and apparatus to be used directly in the process of manufacture or production of goods; it also incorporates the list of certain building

statutes of 1939 (2nd session), sections twenty-five and twenty-six of chapter forty-one of the statutes of 1940, sections eighteen, nineteen, twenty, twenty-one and twenty-two of chapter twenty-seven of the statutes of 1940-41, section forty of chapter thirty-two of the statutes of 1942-43, sections twenty-one and twenty-two of chapter eleven of the statutes of 1943-44, and section thirteen of chapter forty-eight of the statutes of 1944-45, is repealed and Schedule II to this Act is substituted therefor as Schedule III to the said Act.

Coming into force.

**9.** Section one of this Act shall be deemed to have come into force on the first day of January, 1945, and sections two to eight, both inclusive, shall be deemed to have come into force on the thirteenth day of October, nineteen hundred and forty-five.

materials which were exempted by Order in Council effective May 14th last; provision is also made to give effect to the exempting provisions by Orders in Council affecting certain members of the diplomatic corps, for well-drilling machinery used in exploratory or discovery work and development, depletion or production of petroleum or natural gas wells, male semen for the improvement of stock, trophies of war; also to provide exemption for materials used in the manufacture of books for use in the curriculum of any university, college or school in Canada.

SCHEDULE I.

"SCHEDULE I.

Automobiles.

1. *(a)* Automobiles adapted or adaptable for passenger use, with seating capacity for not more than ten persons each.....ten per cent;

*(b)* Automobiles adapted or adaptable for passenger use, with seating capacity for more than ten persons.....five per cent;

Proviso.

Provided that the tax on automobiles shall apply on the total price charged for such automobiles, which price shall include all charges for accessories, optional equipment, advertising, financing, servicing, warranty, or any other charges contracted for at the time of sale, whether charged for separately or not;

Proviso.

Provided, further, that the tax shall not apply to automobiles imported under Customs Tariff items 702, 704, 705a, 706, 707 and 708.

Toilet articles, preparations or cosmetics.

2. Articles, materials or preparations of whatever composition or in whatever form, commonly or commercially known as toilet articles, preparations or cosmetics, which are intended for use or application for toilet purposes, or for use in connection with the care of the human body, including the hair, nails, eyes, teeth, or any other part or parts thereof, whether for cleansing, deodorizing, beautifying, preserving or restoring, and to include shaving soaps and shaving creams, antiseptics, bleaches, depilatories, perfumes, scents and similar preparations .....twenty-five per cent.

Toilet soaps.

3. Toilet soaps, not to include shaving soaps or shaving creams.....five per cent.

Lighters.

4. Devices, commonly or commercially known as lighters, which produce sparks, flame or heat, whether or not in combination with other articles, on the separate or combined value, as the case may be.....twenty-five per cent.

Proviso.

Provided that in any case the tax hereby imposed shall not be less than ten cents in respect of each such device.

Cameras, radios, etc.

5. Cameras, photographic films and plates, projectors for slides, films or pictures, except those designed exclusively for industrial or professional photographers' use.....ten per cent.

Phonographs etc.

6. Phonographs, record playing devices, radio broadcast receiving sets and tubes therefor...ten per cent.

Slot machines.

7. Coin, disc or token operated slot machines and vending machines; coin, disc or token operated games or amusement devices of all kinds ..... twenty-five per cent.

Proviso.

Provided that the tax hereby imposed shall not apply to coin collectors used on pay telephones, turnstiles for collecting tolls or charges, coin operated locking devices, nor gas, electric or parking meters.

Soft drinks.

8. Unfermented fruit juice beverages (not including beverages at least ninety-five per cent of which consists of pure juice of the fruit) and imitations thereof, carbonated beverages or aerated waters and all other compounded or mixed soft drinks, put up in bottles for sale ..... twenty-five per cent.

Chocolate, candy.

9. Chocolate, candy and confectionery which may be classed as candy or a substitute for candy ..... thirty per cent.

Proviso.

Provided, however, that in respect of the goods mentioned in this section the tax shall be:—

One cent on each article or unit selling regularly at a retail price of five cents;

Two cents on each article or unit selling regularly at a retail price of ten cents;

Three cents on each article or unit selling regularly at a retail price of fifteen cents;

and the Minister of National Revenue shall be the sole judge of the classification of the said goods, and the value, and the unit of the sale thereof for purposes of this tax.

Chewing gum.

10. Chewing gum ..... thirty per cent.

Trunks, suitcases, etc.

11. Trunks; suitcases; bags and luggage of all kinds; purses; wallets; billfolds; key and card cases; handbags; jewel cases; dressing and toilet cases; shopping bags, except paper bags; golf and other sports bags; all the foregoing whether fitted or not ..... thirty-five per cent.

Proviso.

Provided that the tax hereby imposed shall not apply to the goods mentioned herein when manufactured expressly for a customer for his use in the operation of his business or profession.

Smokers' accessories.

12. Ash trays; tobacco pipes; cigar and cigarette holders; cigarette rolling devices and other smokers' accessories, not to include lighters, matches or tobacco ..... thirty-five per cent.

Fountain pens, etc.

13. Fountain pens; propelling pencils; desk sets and all other desk accessories ... thirty-five per cent."

SCHEDULE II.

"SCHEDULE III.

FOODSTUFFS.

Bread; Butter; Cheese; Cream; Eggs; Honey; Ice; Lard; Salt; Sugar;

Apples, dried, desiccated or evaporated;

Bakers' cake and pies not to include biscuits, cookies or other similar articles;

Fish and products thereof, not to include canned fish;

Flour, not including self-raising flour;

Maple syrup;

Meats and poultry, fresh;

Milk, including buttermilk; condensed milk, evaporated milk and powdered milk;

Vegetables and fruits in their natural state;

FARM AND FOREST.

Bees; Casein; Fertilizers; Hay; Hops; Shorts; Straw;

Alfalfa meal;

Animals, living;

Baling twine for baling farm produce, and articles and materials to be used or consumed exclusively in process of manufacture thereof;

Beet pulp, dried;

Drain tiles for agricultural purposes;

Farm produce sold by the individual farmer of his own production, not to include canned fruits or vegetables when produced in excess of ten thousand cans of one pound each or their equivalent, per annum, nor flowers, flowering plants or bulbs, when the sales thereof exceed five hundred dollars per annum;

Feeds for fur-bearing animals whose pelts have commercial value;

Forest products when produced and sold by the individual settler or farmer;

Furs, raw;

Gopher poison, and materials for use exclusively in its manufacture;

Grain or seed cleaning machines and complete parts therefor;

Grains and seeds in their natural state, not to include rice;

Harness for horses and complete parts therefor, and articles and materials to be used exclusively in the manufacture thereof;

Hides, raw and salted;

Logs and round unmanufactured timber;
Milk albumen, when for use exclusively in the production of animal or poultry feeds;
Nursery stock;
Oil cake, oil cake meal;
Peat moss when used for agricultural purposes, including poultry litter;
Poultry, cattle and other stock feeds;
Poultry, living;
Preparations or chemicals sold for disinfecting, dipping or spraying and so used in agriculture or horticulture, and materials for use exclusively in the manufacture of such preparations;
Sap spouts and sap buckets, evaporators and complete parts therefor, when for use exclusively for the production of maple syrup;
Sawdust and wood shavings;
Settlers' effects;
Vegetable plants;
Wool not further prepared than washed;
Woollen rolls or wool yarn milled for a producer of wool from wool supplied by him for his own use;

ENGINES.

Internal combustion traction engines, and portable engines with boilers in combination, for farm purposes, or for use exclusively in the operation of logging, such operation to include the removal of the log from stump to skidway, log dump or common or other carrier, and complete parts of all the foregoing, and articles and materials, not to include plant equipment, to be used or consumed exclusively in the manufacture of the foregoing engines, boilers or parts thereof;

MINES AND QUARRIES.

Crushed stone or crushed gravel to be used exclusively in the building or maintenance of provincial, county, municipal or township roads;
Gold and silver in ingots, blocks, bars, drops, sheets or plates unmanufactured;
Ores of metals of all kinds;
Sand, gravel, rubble, and field stone;

MARINE AND FISHERIES.

Boats *bona fide* purchased by fishermen for use in the fisheries, and articles and materials to be used exclusively in the manufacture, equipment or repair of such boats;
Carrageen or Irish Moss;

Cotton duck and cotton sail twine to be used only in the manufacture of equipment for ships or vessels;

Materials for use only in the manufacture of rope not exceeding one and one-half inches in circumference for the fisheries;

Materials for use only in the construction, equipment and repair of ships;

Materials used as ingredients in canned fish;

Ships licensed to engage in the Canadian coasting trade;

Sinkers, and floats including trawl kegs, when for use exclusively in the fisheries, not including these articles for sportsmen's purposes;

RELIGIOUS, CHARITABLE, HEALTH, ETC.

Insulin; Radium;

Articles and materials for the sole use of any *bona fide* public hospital certified to be such by the Department of National Health and Welfare, when purchased in good faith for use exclusively by the said hospital and not for resale;

Artificial eyes;

Artificial limbs, and parts thereof;

Bibles, missals, prayer books, psalm and hymn books, religious tracts, Sunday school lesson pictures, and materials used exclusively in the manufacture thereof;

Donations of clothing and books for charitable purposes;

Liver extract for use exclusively in the treatment of anaemia;

Memorials or monuments erected in memory of members of the Armed Forces who lost their lives in the service of their country;

War Veterans' badges;

PRINTING AND EDUCATIONAL

Manuscript; Newspapers;

Books for the instruction of the deaf or dumb;

Magazines and literary papers unbound, regularly issued at stated intervals, not less frequently than four times yearly, and printing paper and printing ink for use exclusively in their production;

Photographs, paintings, pastels, drawings and other art work and illustrations of all kinds, whether originals, copies or proofs, and printing plates made to reproduce the same, for use exclusively as non-advertising news pictures or for illustrating non-advertising articles or stories in periodical publications enjoying second-class mailing privileges, the pages of which are regularly bound, wire stitched or otherwise fastened together;

Text books, printed, authorized by the Department of Education of any province in Canada and phonograph records so authorized for instruction in the English and the French language, and materials used exclusively in the manufacture thereof;

DIPLOMATIC

Articles for the use of the Governor General;

Articles imported for the personal or official use of the Heads of Diplomatic Missions, High Commissioners representing other of His Majesty's Governments, Counsellors, Secretaries and Attaches at Embassies, Legations, and offices of High Commissioners in Canada, Trade Commissioners, representing other of His Majesty's Governments, Consuls General of Foreign Nations who are natives or citizens of the countries they represent and who are not engaged in any other business or profession; automobiles, cigars, cigarettes, manufactured tobacco, ale, beer, stout, wines, spirits, electricity, purchased in Canada by any of the foregoing;

CERTAIN BUILDING MATERIALS.

Bricks; building tile, building blocks, and building stone;

Plaster; lime; cement;

Lumber; sash; doors; shingles; lath; siding; stairways;

Plaster boards, fibreboard, building paper and materials, other than wallpaper, manufactured wholly or in part of vegetable or mineral fibre for wall coverings or building insulation;

Paints, varnishes, white lead and paint oil;

Prepared roofings;

Shower baths, bath tubs, basins, faucets, closets, lavatories, sinks and laundry tubs, not including repair parts therefor, nor pipes and pipe fittings;

Cast iron soil pipe and cast iron fittings therefor;

Glass for buildings;

Furnaces, hot water and steam radiators not to include fittings, for the heating of buildings;

Locks and lock sets;

Structural steel to be used exclusively for the framework and support of buildings;

Articles and materials to be used exclusively in the manufacture or production of the aforementioned building materials;

COVERINGS.

Usual coverings to be used exclusively for covering goods not subject to the consumption or sales tax and materials to be used exclusively in the manufacture of such coverings;

FIRE BRICK, REFRACTORIES, ETC.

Fire brick, plastic refractories, high temperature cement, fire clay and other refractory materials for use exclusively in the construction or repair of a furnace, kiln or other equipment of a manufacturing establishment, and materials to be used or consumed exclusively in the manufacture of such fire brick or refractory materials;

PROCESSING MATERIALS.

Materials (not to include lubricating oils or fuel oils) consumed, otherwise than by waste or wear, in the process of manufacture or production of taxable goods.

MACHINERY AND APPARATUS TO BE USED IN MANUFACTURE OR PRODUCTION.

Machinery and apparatus, as defined by the Minister of National Revenue, and complete parts thereof which, in the opinion of the Minister, are to be used directly in the process of manufacture or production of goods;

Provided that this exemption shall not apply to office equipment or motor vehicles.

MISCELLANEOUS.

British and Canadian coins and foreign gold coin;

Electricity, except when used in dwellings;

Fuel other than in liquid form;

Natural gas and gas manufactured from coal, calcium carbide or oil for illuminating or heating purposes except when used in dwellings;

GOODS ENUMERATED IN CUSTOMS TARIFF ITEMS

1a, 173, 209b, 236b, 352a, 364, 406, 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409i and complete parts thereof, 409j, 409k, 439c, 440k, 460, 476, 476a, 480, 538, 663b, 666, 667, 682, 692, 692b, 695a, 695b, 696, 696a, 698, 700, 701, 702, 703, 704, 708, 848.

Articles and materials which enter into the cost of manufacture of the goods enumerated in tariff items 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409j, 409k, 409o and 439c, when imported by manufacturers for use exclusively in the manufacture in their own factories of the goods enumerated in the aforesaid tariff items, under regulations prescribed by the Minister;

Articles and materials to be used exclusively in the manufacture of goods enumerated in Customs Tariff items 173, 406, 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409i, 409j, 409k, 410b, 411, 411a, 411b, 439c, 440k, 476, 476a, 480, 538, 663, 663a, 663b, 666, 667, 696, 848;

Materials not to include plant equipment, consumed in process of manufacture or production, which enter directly into the cost of goods enumerated in Customs Tariff items 406, 409, 409a, 409b, 409c, 409d, 409e, 409f, 409g, 409i, 409j, 409k, 410b, 411, 411a, 411b, 439c, 440k, 476, 476a, 480, 538, 663, 663a, 666, 667, 696."

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 238.

An Act for Carrying into Effect the Agreements for an International Monetary Fund and an International Bank for Reconstruction and Development.

First reading, December 11, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

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1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 238.

An Act for Carrying into Effect the Agreements for an International Monetary Fund and an International Bank for Reconstruction and Development.

Preamble. WHEREAS the United Nations Monetary and Financial Conference held at Bretton Woods in July, nineteen hundred and forty-four, prepared the Articles of Agreement set out in the Schedules to this Act for an International Monetary Fund and for an International Bank for Reconstruction and Development;

Preamble. AND WHEREAS it is expedient that Canada become a member of the International Monetary Fund and the International Bank for Reconstruction and Development and that provision be made for acceptance by Canada of the Agreements therefor and for carrying out the obligations of Canada thereunder: Therefore His Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

Short title. **1.** This Act may be cited as *The Bretton Woods Agreements Act, 1945.*

Agreements approved. **2.** (1) The Agreements for an International Monetary Fund and an International Bank for Reconstruction and Development set out in the Schedules to this Act are hereby approved.

Acceptance authorized. (2) The Governor in Council may authorize the acceptance on behalf of Canada of the said Agreements and may make such appointments, do and authorize such acts and things and make such orders and regulations as are necessary for that purpose and for carrying out the obligations of Canada under the said Agreements and, without restricting the generality of the foregoing and notwithstanding any other statute or law, may take such measures as may be deemed necessary to establish, for the purposes and in

## Explanatory Note.

The purpose of this Bill is to enable Canada to become a member of the International Monetary Fund and the International Bank for Reconstruction and Development. The Articles of Agreement of the Fund and the Bank were prepared at the United Nations Monetary and Financial Conference which was held at Bretton Woods in July, 1944, and attended by representatives of forty-four nations.

The Governor in Council is empowered to take the necessary steps so that Canada may become a member of the Fund and the Bank and carry out its obligations under the Agreements therefor. It is provided that Orders-in-Council are not to be effective until published in the *Canada Gazette* and that they are to be laid before Parliament.

The Bill provides directly for the more important matters of a financial nature arising out of the acceptance by Canada of membership in the Fund and the Bank:

*(a)* The Governor in Council is authorized to fix the par value of the Canadian dollar for the purposes of the Agreement for the International Monetary Fund.

*(b)* Effect is given to the provision in the Articles of Agreement for the International Monetary Fund whereby an exchange contract entered into contrary to the exchange control regulations of a country which is a member of the Fund shall be unenforceable in other countries which are members of the Fund.

*(c)* The Bank of Canada is authorized and directed to act as the depository in Canada of the Fund and the Bank.

Provision is also made for Canada's subscription to the Fund and the Bank to be paid by the Minister of Finance in the manner provided by the Articles of Agreement out of moneys raised by way of loan authorized by this measure.

accordance with the terms of the Agreement for an International Monetary Fund, the par value of the Canadian dollar.

Orders in Council to be effective upon publication.

To be laid before Parliament.

(3) An Order in Council made under this section shall not be effective until published in the *Canada Gazette* and shall be laid before Parliament within fifteen days after it has been made if Parliament is then sitting or, if Parliament is not then sitting, within fifteen days after the commencement of the next ensuing session thereof.

Non-enforcibility of certain exchange contracts.

**3.** On and after the date on which Canada becomes a member of the International Monetary Fund, the first sentence of paragraph *(b)* of section two of Article VIII of the Agreement set out in the First Schedule to this Act shall have the force of law in Canada.

Bank of Canada as depository.

**4.** The Bank of Canada shall have capacity and power to act as the depository in Canada for the holdings of Canadian currency and other assets of the International Monetary Fund and the International Bank for Reconstruction and Development and shall act as such depository.

Payment of subscriptions out of C.R. Fund.

**5.** The Minister of Finance may pay the subscriptions required from Canada to the International Monetary Fund, and to the International Bank for Reconstruction and Development in the manner and at the times provided for by the Agreements therefor set out in the Schedules to this Act out of unappropriated moneys in the Consolidated Revenue Fund to an amount not exceeding seven hundred million dollars.

Loans for the purposes of the Act.

1931, c. 27.

**6.** (1) The Governor in Council may, in addition to the sums now remaining unborrowed and negotiable of the loans authorized by Parliament by any Act heretofore passed, raise by way of loan under the provisions of *The Consolidated Revenue and Audit Act, 1931*, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money, not exceeding in the whole the sum of seven hundred million dollars, as may be required for the purposes of this Act.

Loans chargeable to C.R. Fund.

(2) The principal raised by way of loan under this Act, and the interest thereon, shall be a charge upon and payable out of the Consolidated Revenue Fund.

# FIRST SCHEDULE.

## ARTICLES OF AGREEMENT OF THE INTERNATIONAL MONETARY FUND.

The Governments on whose behalf the present Agreement is signed agree as follows:

### INTRODUCTORY ARTICLE

The International Monetary Fund is established and shall operate in accordance with the following provisions:

### ARTICLE I—PURPOSES.

The purposes of the International Monetary Fund are:

(i) To promote international monetary co-operation through a permanent institution which provides the machinery for consultation and collaboration on international monetary problems.

(ii) To facilitate the expansion and balanced growth of international trade, and to contribute thereby to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members as primary objectives of economic policy.

(iii) To promote exchange stability, to maintain orderly exchange arrangements among members, and to avoid competitive exchange depreciation.

(iv) To assist in the establishment of a multilateral system of payments in respect of current transactions between members and in the elimination of foreign exchange restrictions which hamper the growth of world trade.

(v) To give confidence to members by making the Fund's resources available to them under adequate safeguards, thus providing them with opportunity to correct maladjustments in their balance of payments without resorting to measures destructive of national or international prosperity.

(vi) In accordance with the above, to shorten the duration and lessen the degree of disequilibrium in the international balances of payments of members.

The Fund shall be guided in all its decisions by the purposes set forth in this Article.

### ARTICLE II—MEMBERSHIP.

Section 1. *Original members.*

The original members of the Fund shall be those of the countries represented at the United Nations Monetary and Financial Conference whose governments accept membership before the date specified in Article XX, Section 2 (*e*).

Section 2. *Other members.*

Membership shall be open to the governments of other countries at such times and in accordance with such terms as may be prescribed by the Fund.

## Article III—Quotas and Subscriptions.

Section 1. *Quotas.*

Each member shall be assigned a quota. The quotas of the members represented at the United Nations Monetary and Financial Conference which accept membership before the date specified in Article XX, Section 2 (*e*), shall be those set forth in Schedule A. The quotas of other members shall be determined by the Fund.

Section 2. *Adjustment of quotas.*

The Fund shall at intervals of five years review, and if it deems it appropriate propose an adjustment of, the quotas of the members. It may also, if it thinks fit, consider at any other time the adjustment of any particular quota at the request of the member concerned. A four-fifths majority of the total voting power shall be required for any change in quotas and no quota shall be changed without the consent of the member concerned.

Section 3. *Subscriptions: time, place and form of payment.*

(*a*) The subscription of each member shall be equal to its quota and shall be paid in full to the Fund at the appropriate depository on or before the date when the member becomes eligible under Article XX, Section 4 (*c*) or (*d*), to buy currencies from the Fund.

(*b*) Each member shall pay in gold, as a minimum, the smaller of

(i) twenty-five per cent. of its quota; or

(ii) ten per cent. of its net official holdings of gold and United States dollars as at the date when the Fund notifies members under Article XX, Section 4 (*a*) that it will shortly be in a position to begin exchange transactions.

Each member shall furnish to the Fund the data necessary to determine its net official holdings of gold and United States dollars.

(*c*) Each member shall pay the balance of its quota in its own currency.

(*d*) If the net official holdings of gold and United States dollars of any member as at the date referred to in (*b*) (ii) above are not ascertainable because its territories have been occupied by the enemy, the Fund shall fix an appropriate alternative date for determining such holdings. If such date is later than that on which the country becomes eligible under Article XX, Section 4 (*c*) or (*d*), to buy currencies from the Fund, the Fund and the member shall agree on a provisional gold payment to be made under (*b*) above, and the balance of the member's subscription shall be paid in the member's currency, subject to appropriate adjustment between the member and the Fund when the net official holdings have been ascertained.

Section 4. *Payments when quotas are changed.*

(*a*) Each member which consents to an increase in its quota shall, within thirty days after the date of its consent, pay to the Fund twenty-five per cent. of the increase in gold and the balance in its own currency. If, however, on the date when the member consents to an increase, its monetary reserves are less than its new quota, the Fund may reduce the proportion of the increase to be paid in gold.

(*b*) If a member consents to a reduction in its quota, the Fund shall, within thirty days after the date of the consent, pay to the member an amount equal to the reduction. The payment shall be made in the member's currency and in such amount of gold as may be necessary to prevent reducing the Fund's holdings of the currency below seventy-five per cent. of the new quota.

Section 5. *Substitution of securities for currency.*

The Fund shall accept from any member in place of any part of the member's currency which in the judgment of the Fund is not needed for its operations, notes or similar obligations issued by the member or the depository designated by the member under Article XIII, Section 2, which shall be non-negotiable, non-interest bearing and payable at their par value on demand by crediting the account of the Fund in the designated depository. This Section shall apply not only to currency subscribed by members but also to any currency otherwise due to, or acquired by, the Fund.

## Article IV—Par Values of Currencies.

Section 1. *Expression of par values.*

(*a*) The par value of the currency of each member shall be expressed in terms of gold as a common denominator or in terms of the United States dollar of the weight and fineness in effect on July 1, 1944.

(*b*) All computations relating to currencies of members for the purpose of applying the provisions of this Agreement shall be on the basis of their par values.

Section 2. *Gold purchases based on par values.*

The Fund shall prescribe a margin above and below par value for transactions in gold by members, and no member shall buy gold at a price above par value plus the prescribed margin, or sell gold at a price below par value minus the prescribed margin.

Section 3. *Foreign exchange dealings based on parity.*

The maximum and the minimum rates for exchange transactions between the currencies of members taking place within their territories shall not differ from parity

(i) in the case of spot exchange transactions, by more than one per cent; and

(ii) in the case of other exchange transactions, by a margin which exceeds the margin for spot exchange transactions by more than the Fund considers reasonable.

Section 4. *Obligations regarding exchange stability.*

(*a*) Each member undertakes to collaborate with the Fund to promote exchange stability, to maintain orderly exchange arrangements with other members, and to avoid competitive exchange alterations.

(*b*) Each member undertakes, through appropriate measures consistent with this Agreement, to permit within its territories exchange transactions between its currency and the currencies of other members only within the limits prescribed under Section 3 of this Article. A member whose monetary authorities, for the settlement of international transactions, in fact freely buy and sell gold within the limits prescribed by the Fund under Section 2 of this Article shall be deemed to be fulfilling this undertaking.

Section 5. *Changes in par values.*

(*a*) A member shall not propose a change in the par value of its currency except to correct a fundamental disequilibrium.

(*b*) A change in the par value of a member's currency may be made only on the proposal of the member and only after consultation with the Fund.

(*c*) When a change is proposed, the Fund shall first take into account the changes, if any, which have already taken place in the initial par value of the member's currency as determined under Article XX, Section 4. If the proposed change, together with all previous changes, whether increases or decreases,

(i) does not exceed ten per cent. of the initial par value, the Fund shall raise no objection,

(ii) does not exceed a further ten per cent. of the initial par value, the Fund may either concur or object, but shall declare its attitude within seventy-two hours if the member so requests,

(iii) is not within (i) or (ii) above, the Fund may either concur or object, but shall be entitled to a longer period in which to declare its attitude.

(*d*) Uniform changes in par values made under Section 7 of this Article shall not be taken into account in determining whether a proposed change falls within (i), (ii), or (iii) of (*c*) above.

(*e*) A member may change the par value of its currency without the concurrence of the Fund if the change does not affect the international transactions of members of the Fund.

(*f*) The Fund shall concur in a proposed change which is within the terms of (*c*) (ii) or (*c*) (iii) above if it is satisfied that the change is necessary to correct a fundamental disequilibrium. In particular, provided it is so satisfied, it shall not object to a proposed change because of the domestic social or political policies of the member proposing the change.

Section 6. *Effect of unauthorized changes.*

If a member changes the par value of its currency despite the objection of the Fund, in cases where the Fund is entitled to object, the member shall be ineligible to use the resources of the Fund unless

the Fund otherwise determines; and if, after the expiration of a reasonable period, the difference between the member and the Fund continues, the matter shall be subject to the provisions of Article XV, Section 2 (*b*).

Section 7. *Uniform changes in par values.*

Notwithstanding the provisions of Section 5 (*b*) of this Article, the Fund by a majority of the total voting power may make uniform proportionate changes in the par values of the currencies of all members, provided each such change is approved by every member which has 10 per cent. or more of the total of the quota. The par value of a member's currency shall, however, not be changed under this provision if, within seventy-two hours of the Fund's action, the member informs the Fund that it does not wish the par value of its currency to be changed by such action.

Section 8. *Maintenance of gold value of the Fund's assets.*

(*a*) The gold value of the Fund's assets shall be maintained notwithstanding changes in the par or foreign exchange value of the currency of any member.

(*b*) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the Fund, depreciated to a significant extent within that member's territories, the member shall pay to the Fund within a reasonable time an amount of its own currency equal to the reduction in the gold value of its currency held by the Fund.

(*c*) Whenever the par value of a member's currency is increased, the Fund shall return to such member within a reasonable time an amount in its currency equal to the increase in the gold value of its currency held by the Fund.

(*d*) The provisions of this Section shall apply to a uniform proportionate change in the par values of the currencies of all members, unless at the time when such a change is proposed the Fund decides otherwise.

Section 9. *Separate currencies within a member's territories.*

A member proposing a change in the par value of its currency shall be deemed, unless it declares otherwise, to be proposing a corresponding change in the par value of the separate currencies of all territories in respect of which it has accepted this agreement under Article XX, Section 2 (*g*). It shall, however, be open to a member to declare that its proposal relates either to the metropolitan currency alone, or only to one or more specified separate currencies, or to the metropolitan currency and one or more specified separate currencies.

## Article V—Transactions with the Fund.

Section 1. *Agencies dealing with the Fund.*

Each member shall deal with the Fund only through its Treasury, central bank, stabilization fund or other similar fiscal agency and the Fund shall deal only with or through the same agencies.

Section 2. *Limitation on the Fund's operations.*

Except as otherwise provided in this Agreement, operations on the account of the Fund shall be limited to transactions for the purpose of supplying a member, on the initiative of such member, with the currency of another member in exchange for gold or for the currency of the member desiring to make the purchase.

Section 3. *Conditions governing use of the Fund's resources.*

(*a*) A member shall be entitled to buy the currency of another member from the Fund in exchange for its own currency subject to the following conditions:

(i) The member desiring to purchase the currency represents that it is presently needed for making in that currency payments which are consistent with the provisions of this Agreement;

(ii) The Fund has not given notice under Article VII, Section 3, that its holdings of the currency desired have become scarce;

(iii) The proposed purchase would not cause the Fund's holdings of the purchasing member's currency to increase by more than twenty-five per cent. of its quota during the period of twelve months ending on the date of the purchase nor to exceed two hundred per cent. of its quota, but the twenty-five per cent. limitation shall apply only to the extent that the Fund's holdings of the member's currency have been brought above seventy-five per cent. of its quota if they had been below that amount;

(iv) The Fund has not previously declared under Section 5 of this Article, Article IV, Section 6, Article VI, Section I, or Article XV, Section 2 (*a*), that the member desiring to purchase is ineligible to use the resources of the Fund.

(*b*) A member shall not be entitled without the permission of the Fund to use the Fund's resources to acquire currency to hold against forward exchange transactions.

Section 4. *Waiver of conditions.*

The Fund may in its discretion, and on terms which safeguard its interests, waive any of the conditions prescribed in Section 3 (*a*) of this Article, especially in the case of members with a record of avoiding large or continuous use of the Fund's resources. In making a waiver it shall take into consideration periodic or exceptional requirements of the member requesting the waiver. The Fund shall also take into consideration a member's willingness to pledge as collateral security gold, silver, securities, or other acceptable assets having a value sufficient in the opinion of the Fund to protect its interests and may require as a condition of waiver the pledge of such collateral security.

Section 5. *Ineligibility to use the Fund's resources.*

Whenever the Fund is of the opinion that any member is using the resources of the Fund in a manner contrary to the purposes of the Fund, it shall present to the member a report setting forth the views of the Fund and prescribing a suitable time for reply. After presenting such a report to a member, the Fund may limit the use of its resources by the member. If no reply to the report is received from the member

within the prescribed time, or if the reply received is unsatisfactory, the Fund may continue to limit the member's use of the Fund's resources or may, after giving reasonable notice to the member, declare it ineligible to use the resources of the Fund.

Section 6. *Purchases of currencies from the Fund for gold.*

(*a*) Any member desiring to obtain, directly or indirectly, the currency of another member for gold shall, provided that it can do so with equal advantage, acquire it by the sale of gold to the Fund.

(*b*) Nothing in this Section shall be deemed to preclude any member from selling in any market gold newly produced from mines located within its territories.

Section 7. *Repurchase by a member of its currency held by the Fund.*

(*a*) A member may repurchase from the Fund and the Fund shall sell for gold any part of the Fund's holdings of its currency in excess of its quota.

(*b*) At the end of each financial year of the Fund, a member shall repurchase from the Fund with gold or convertible currencies, as determined in accordance with Schedule B, part of the Fund's holdings of its currency under the following conditions:

(i) Each member shall use in repurchases of its own currency from the Fund an amount of its monetary reserves equal in value to one-half of any increase that has occurred during the year in the Fund's holdings of its currency plus one-half of any increase, or minus one-half of any decrease, that has occurred during the year in the member's monetary reserves. This rule shall not apply when a member's monetary reserves have decreased during the year by more than the Fund's holdings of its currency have increased.

(ii) If after the repurchase described in (i) above (if required) has been made, a member's holdings of another member's currency (or of gold acquired from that member) are found to have increased by reason of transactions in terms of that currency with other members or persons in their territories, the member whose holdings of such currency (or gold) have thus increased shall use the increase to repurchase its own currency from the Fund.

(*c*) None of the adjustments described in (*b*) above shall be carried to a point at which

(i) the member's monetary reserves are below its quota, or

(ii) the Fund's holdings of its currency are below seventy-five per cent. of its quota, or

(iii) the Fund's holdings of any currency required to be used are above seventy-five per cent. of the quota of the member concerned.

Section 8. *Charges.*

(*a*) Any member buying the currency of another member from the Fund in exchange for its own currency shall pay a service charge uniform for all members of three-fourths per cent. in addition to the parity

price. The Fund in its discretion may increase this service charge to not more than one per cent. or reduce it to not less than one-half per cent.

(*b*) The Fund may levy a reasonable handling charge on any member buying gold from the Fund or selling gold to the Fund.

(*c*) The Fund shall levy charges uniform for all members which shall be payable by any member on the average daily balances of its currency held by the Fund in excess of its quota. These charges shall be at the following rates:

(i) *On amounts not more than twenty-five per cent. in excess of the quota:* no charge for the first three months; one-half per cent. per annum for the next nine months; and thereafter an increase in the charge of one-half per cent. for each subsequent year.

(ii) *On amounts more than twenty-five per cent. and not more than fifty per cent. in excess of the quota:* an additional one-half per cent. for the first year; and an additional one-half per cent. for each subsequent year.

(iii) *On each additional bracket of twenty-five per cent. in excess of the quota:* an additional one-half per cent. for the first year; and an additional one-half per cent. for each subsequent year.

(*d*) Whenever the Fund's holdings of a member's currency are such that the charge applicable to any bracket for any period has reached the rate of four per cent. per annum, the Fund and the member shall consider means by which the Fund's holdings of the currency can be reduced. Thereafter, the charges shall rise in accordance with the provisions of (*c*) above until they reach five per cent. and failing agreement, the Fund may then impose such charges as it deems appropriate.

(*e*) The rates referred to in (*c*) and (*d*) above may be changed by a three-fourths majority of the total voting power.

(*f*) All charges shall be paid in gold. If, however, the member's monetary reserves are less than one-half of its quota, it shall pay in gold only that proportion of the charges due which such reserves bear to one-half of its quota, and shall pay the balance in its own currency.

## Article VI—Capital Transfers

Section 1. *Use of the Fund's resources for capital transfers.*

(*a*) A member may not make net use of the Fund's resources to meet a large or sustained outflow of capital, and the Fund may request a member to exercise controls to prevent such use of the resources of the Fund. If, after receiving such a request, a member fails to exercise appropriate controls, the Fund may declare the member ineligible to use the resources of the Fund.

(*b*) Nothing in this Section shall be deemed

(i) to prevent the use of the resources of the Fund for capital transactions of reasonable amount required for the expansion of exports or in the ordinary course of trade, banking or other business, or

(ii) to affect capital movements which are met out of a member's own resources of gold and foreign exchange, but members undertake that such capital movements will be in accordance with the purposes of the Fund.

Section 2. *Special provisions for capital transfers.*

If the Fund's holdings of the currency of a member have remained below seventy-five per cent. of its quota for an immediately preceding period of not less than six months, such member, if it has not been declared ineligible to use the resources of the Fund under Section 1 of this Article, Article IV, Section 6, Article V, Section 5, or Article XV, Section 2 (*a*), shall be entitled, notwithstanding the provisions of Section 1 (*a*) of this Article, to buy the currency of another member from the Fund with its own currency for any purpose, including capital transfers. Purchases for capital transfers under this Section shall not, however, be permitted if they have the effect of raising the Fund's holdings of the currency of the member desiring to purchase above seventy-five per cent. of its quota, or of reducing the Fund's holdings of the currency desired below seventy-five per cent. of the quota of the member whose currency is desired.

Section 3. *Controls of capital transfers.*

Members may exercise such controls as are necessary to regulate international capital movements, but no member may exercise these controls in a manner which will restrict payments for current transactions or which will unduly delay transfers of funds in settlement of commitments, except as provided in Article VII, Section 3 (*b*), and in Article XIV, Section 2.

## Article VII—Scarce Currencies

Section 1. *General scarcity of currency.*

If the Fund finds that a general scarcity of a particular currency is developing, the Fund may so inform members and may issue a report setting forth the causes of the scarcity and containing recommendations designed to bring it to an end. A representative of the member whose currency is involved shall participate in the preparation of the report.

Section 2. *Measures to replenish the Fund's holdings of scarce currencies.*

The Fund may, if it deems such action appropriate to replenish its holdings of any member's currency, take either or both of the following steps:

(i) Propose to the member that, on terms and conditions agreed between the Fund and the member, the latter lend its currency to the Fund or that, with the approval of the member, the Fund borrow such currency from some other source either within or outside the territories of the member, but no member shall be under any obligation to make such loans to the Fund or to approve the borrowing of its currency by the Fund from any other source.

(ii) Require the member to sell its currency to the Fund for gold.

Section 3. *Scarcity of the Fund's holdings.*

(*a*) If it becomes evident to the Fund that the demand for a member's currency seriously threatens the Fund's ability to supply that currency, the Fund, whether or not it has issued a report under Section 1 of this Article, shall formally declare such currency scarce and shall thenceforth apportion its existing and accruing supply of the scarce currency with due regard to the relative needs of members, the general international economic situation and any other pertinent considerations. The Fund shall also issue a report concerning its action.

(*b*) A formal declaration under (*a*) above shall operate as an authorization to any member, after consultation with the Fund, temporarily to impose limitations on the freedom of exchange operations in the scarce currency. Subject to the provisions of Article IV, Sections 3 and 4, the member shall have complete jurisdiction in determining the nature of such limitations, but they shall be no more restrictive than is necessary to limit the demand for the scarce currency to the supply held by, or accruing to, the member in question; and they shall be relaxed and removed as rapidly as conditions permit.

(*c*) The authorization under (*b*) above shall expire whenever the Fund formally declares the currency in question to be no longer scarce.

Section 4. *Administration of restrictions.*

Any member imposing restrictions in respect of the currency of any other member pursuant to the provisions of Section 3 (*b*) of this Article shall give sympathetic consideration to any representations by the other member regarding the administration of such restrictions.

Section 5. *Effect of other international agreements on restrictions.*

Members agree not to invoke the obligations of any engagements entered into with other members prior to this Agreement in such a manner as will prevent the operation of the provisions of this Article.

## Article VIII—General Obligations of Members

Section 1. *Introduction.*

In addition to the obligations assumed under other articles of this Agreement, each member undertakes the obligations set out in this Article.

Section 2. *Avoidance of restrictions on current payments.*

(*a*) Subject to the provisions of Article VII, Section 3 (*b*), and Article XIV, Section 2, no member shall, without the approval of the Fund, impose restrictions on the making of payments and transfers for current international transactions.

(*b*) Exchange contracts which involve the currency of any member and which are contrary to the exchange control regulations of that member maintained or imposed consistently with this Agreement shall be unenforceable in the territories of any member. In addition, members may, by mutual accord, co-operate in measures for the purpose

of making the exchange control regulations of either member more effective, provided that such measures and regulations are consistent with this Agreement.

Section 3. *Avoidance of discriminatory currency practices.*

No member shall engage in, or permit any of its fiscal agencies referred to in Article V, Section 1, to engage in, any discriminatory currency arrangements or multiple currency practices except as authorized under this Agreement or approved by the Fund. If such arrangements and practices are engaged in at the date when this Agreement enters into force the member concerned shall consult with the Fund as to their progressive removal unless they are maintained or imposed under Article XIV, Section 2, in which case the provisions of Section 4 of that Article shall apply.

Section 4. *Convertibility of foreign-held balances.*

(*a*) Each member shall buy balances of its currency held by another member if the latter, in requesting the purchase, represents

(i) that the balances to be bought have been recently acquired as a result of current transactions; or

(ii) that their conversion is needed for making payments for current transactions.

The buying member shall have the option to pay either in the currency of the member making the request or in gold.

(*b*) The obligation in (*a*) above shall not apply

(i) when the convertibility of the balances has been restricted consistently with Section 2 of this Article, or Article VI, Section 3; or

(ii) when the balances have accumulated as a result of transactions effected before the removal by a member of restrictions maintained or imposed under Article XIV, Section 2; or

(iii) when the balances have been acquired contrary to the exchange regulations of the member which is asked to buy them; or

(iv) when the currency of the member requesting the purchase has been declared scarce under Article VII, Section 3 (*a*); or

(v) when the member requested to make the purchase is for any reason not entitled to buy currencies of other members from the Fund for its own currency.

Section 5. *Furnishing of information.*

(*a*) The Fund may require members to furnish it with such information as it deems necessary for its operation, including, as the minimum necessary for the effective discharge of the Fund's duties, national data on the following matters:

(i) Official holdings at home and abroad, of (1) gold, (2) foreign exchange.

(ii) Holdings at home and abroad by banking and financial agencies, other than official agencies, of (1) gold, (2) foreign exchange.

(iii) Production of gold.

(iv) Gold exports and imports according to countries of destination and origin.

(v) Total exports and imports of merchandise, in terms of local currency values, according to countries of destination and origin.

(vi) International balance of payments, including (1) trade in goods and services, (2) gold transactions, (3) known capital transactions, and (4) other items.

(vii) International investment position, *i.e.*, investments within the territories of the member owned abroad and investments abroad owned by persons in its territories so far as it is possible to furnish this information.

(viii) National income.

(ix) Price indices, *i.e.* indices of commodity prices in wholesale and retail markets and of export and import prices.

(x) Buying and selling rates for foreign currencies.

(xi) Exchange controls, *i.e.*, a comprehensive statement of exchange controls in effect at the time of assuming membership in the Fund and details of subsequent changes as they occur.

(xii) Where official clearing arrangements exist, details of amounts awaiting clearance in respect of commercial and financial transactions, and of the length of time during which such arrears have been outstanding.

(*b*) In requesting information the Fund shall take into consideration the varying ability of members to furnish the data requested. Members shall be under no obligation to furnish information in such detail that the affairs of individuals or corporations are disclosed. Members undertake, however, to furnish the desired information in as detailed and accurate a manner as is practicable, and, so far as possible, to avoid mere estimates.

(*c*) The Fund may arrange to obtain further information by agreement with members. It shall act as a centre for the collection and exchange of information on monetary and financial problems, thus facilitating the preparation of studies designed to assist members in developing policies which further the purposes of the Fund.

Section 6. *Consultation between members regarding existing international agreements.*

Where under this Agreement a member is authorized in the special or temporary circumstances specified in the Agreement to maintain or establish restrictions on exchange transactions, and there are other engagements between members entered into prior to this Agreement which conflict with the application of such restrictions, the parties to such engagements will consult with one another with a view to making such mutually acceptable adjustments as may be necessary. The provisions of this Article shall be without prejudice to the operation of Article VII, Section 5.

## Article IX.—Status, Immunities and Privileges.

Section 1. *Purposes of Article.*

To enable the Fund to fulfil the functions with which it is entrusted, the status, immunities and privileges set forth in this Article shall be accorded to the Fund in the territories of each member.

Section 2. *Status of the Fund.*

The Fund shall possess full juridical personality, and, in particular, the capacity:

(i) to contract;

(ii) to acquire and dispose of immovable and movable property;

(iii) to institute legal proceedings.

Section 3. *Immunity from judicial process.*

The Fund, its property and its assets, wherever located and by whomsoever held, shall enjoy immunity from every form of judicial process except to the extent that it expressly waives its immunity for the purpose of any proceedings or by the terms of any contract.

Section 4. *Immunity from other action.*

Property and assets of the Fund, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.

Section 5. *Immunity of archives.*

The archives of the Fund shall be inviolable.

Section 6. *Freedom of assets from restrictions.*

To the extent necessary to carry out the operations provided for in this Agreement, all property and assets of the Fund shall be free from restrictions, regulations, controls and moratoria of any nature.

Section 7. *Privilege for communications.*

The official communications of the Fund shall be accorded by members the same treatment as the official communications of other members.

Section 8. *Immunities and privileges of officers and employees.*

All governors, executive directors, alternates, officers and employees of the Fund

(i) shall be immune from legal process with respect to acts performed by them in their official capacity except when the Fund waives this immunity;

(ii) not being local nationals, shall be granted the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials, and employees of comparable rank of other members;

(iii) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

Section 9. *Immunities from taxation.*

(*a*) The Fund, its assets, property, income and its operations and transactions authorized by this Agreement, shall be immune from all taxation and from all customs duties. The Fund shall also be immune from liability for the collection or payment of any tax or duty.

(*b*) No tax shall be levied on or in respect of salaries and emoluments paid by the Fund to executive directors, alternates, officers or employees of the Fund who are not local citizens, local subjects, or other local nationals.

(*c*) No taxation of any kind shall be levied on any obligation or security issued by the Fund, including any dividend or interest thereon, by whomsoever held,

(i) which discriminates against such obligation or security solely because of its origin; or

(ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Fund.

Section 10. *Application of Article.*

Each member shall take such action as is necessary in its own territories for the purpose of making effective in terms of its own law the principles set forth in this Article and shall inform the Fund of the detailed action which it has taken.

## Article X—Relations with other International Organizations.

The Fund shall co-operate within the terms of this Agreement with any general international organization and with public international organizations having specialized responsibilities in related fields. Any arrangements for such co-operation which would involve a modification of any provision of this Agreement may be effected only after amendment to this Agreement under Article XVII.

## Article XI—Relations with Non-Member Countries.

Section 1. *Undertakings regarding relations with non-member countries.*

Each member undertakes:

(i) Not to engage in, nor to permit any of its fiscal agencies referred to in Article V, Section 1, to engage in, any transactions with a non-member or with persons in a non-member's territories which would be contrary to the provisions of this Agreement or the purposes of the Fund;

(ii) Not to co-operate with a non-member or with persons in a non-member's territories in practices which would be contrary to the provisions of this Agreement or the purposes of the Fund; and

(iii) To co-operate with the Fund with a view to the application in its territories of appropriate measures to prevent transactions with non-members or with persons in their territories which would be contrary to the provisions of this Agreement or the purposes of the Fund.

Section 2. *Restrictions on transactions with non-member countries.*

Nothing in this Agreement shall affect the right of any member to impose restrictions on exchange transactions with non-members or with persons in their territories unless the Fund finds that such restrictions prejudice the interests of members and are contrary to the purposes of the Fund.

## Article XII—Organization and Management.

Section 1. *Structure of the Fund.*

The Fund shall have a Board of Governors, Executive Directors, a Managing Director and a staff.

Section 2. *Board of Governors.*

(*a*) All powers of the Fund shall be vested in the Board of Governors, consisting of one governor and one alternate appointed by each member in such manner as it may determine. Each governor and each alternate shall serve for five years, subject to the pleasure of the member appointing him, and may be reappointed. No alternate may vote except in the absence of his principal. The Board shall select one of the governors as chairman.

(*b*) The Board of Governors may delegate to the Executive Directors authority to exercise any powers of the Board, except the power to:

(i) Admit new members and determine the conditions of their admission;

(ii) Approve a revision of quotas;

(iii) Approve a uniform change in the par value of the currencies of all members;

(iv) Make arrangements to co-operate with other international organizations (other than informal arrangements of a temporary or administrative character);

(v) Determine the distribution of the net income of the Fund;

(vi) Require a member to withdraw;

(vii) Decide to liquidate the Fund;

(viii) Decide appeals from interpretations of this Agreement given by the Executive Directors.

(*c*) The Board of Governors shall hold an annual meeting and such other meetings as may be provided for by the Board or called by the Executive Directors. Meetings of the Board shall be called by the Directors whenever requested by five members or by members having one quarter of the total voting power.

(*d*) A quorum for any meeting of the Board of Governors shall be a majority of the governors exercising not less than two-thirds of the total voting power.

(*e*) Each governor shall be entitled to cast the number of votes allotted under Section 5 of this Article to the member appointing him.

(*f*) The Board of Governors may by regulation establish a procedure whereby the Executive Directors, when they deem such action to be in the best interests of the Fund, may obtain a vote of the governors on a specific question without calling a meeting of the Board.

(*g*) The Board of Governors, and the Executive Directors to the extent authorized, may adopt such rules and regulations as may be necessary or appropriate to conduct the business of the Fund.

(*h*) Governors and alternates shall serve as such without compensation from the Fund, but the Fund shall pay them reasonable expenses incurred in attending meetings.

(*i*) The Board of Governors shall determine the remuneration to be paid to the Executive Directors and the salary and terms of the contract of service of the Managing Director.

Section 3. *Executive Directors.*

(*a*) The Executive Directors shall be responsible for the conduct of the general operations of the Fund, and for this purpose shall exercise all the powers delegated to them by the Board of Governors.

(*b*) There shall be not less than twelve directors who need not be governors, and of whom

(i) Five shall be appointed by the five members having the largest quotas;

(ii) Not more than two shall be appointed when the provisions of (*c*) below apply;

(iii) Five shall be elected by the members not entitled to appoint directors, other than the American Republics; and

(iv) Two shall be elected by the American Republics not entitled to appoint directors.

For the purposes of this paragraph, members means governments of countries whose names are set forth in Schedule A, whether they become members in accordance with Article XX or in accordance with Article II, Section 2. When governments of other countries become members, the Board of Governors may, by a four-fifths majority of the total voting power, increase the number of directors to be elected.

(*c*) If, at the second regular election of directors and thereafter, the members entitled to appoint directors under (*b*) (i) above do not include the two members, the holdings of whose currencies by the Fund have been, on the average over the preceding two years, reduced below their quotas by the largest absolute amounts in terms of gold as a common denominator, either one or both of such members, as the case may be, shall be entitled to appoint a director.

(*d*) Subject to Article XX, Section (*b*), elections of elective directors shall be conducted at intervals of two years in accordance with the provisions of Schedule C, supplemented by such regulations as the Fund deems appropriate. Whenever the Board of Governors increases the number of directors to be elected under (*b*) above, it shall issue regulations making appropriate changes in the proportion of votes required to elect directors under the provisions of Schedule C.

(*e*) Each director shall appoint an alternate with full power to act for him when he is not present. When the directors appointing them are present, alternates may participate in meetings but may not vote.

(*f*) Directors shall continue in office until their successors are appointed or elected. If the office of an elected director becomes vacant more than ninety days before the end of his term, another director shall be elected for the remainder of the term by the members who elected the former director. A majority of the votes cast shall be required for election. While the office remains vacant, the alternate of the former director shall exercise his powers, except that of appointing an alternate.

(*g*) The Executive Directors shall function in continuous session at the principal office of the Fund and shall meet as often as the business of the Fund may require.

(*h*) A quorum for any meeting of the Executive Directors shall be a majority of the directors representing not less than one-half of the voting power.

(*i*) Each appointed director shall be entitled to cast the number of votes allotted under Section 5 of this Article to the member appointing him. Each elected director shall be entitled to cast the number of votes which counted towards his election. When the provisions of Section 5 (*b*) of this Article are applicable, the votes which a director would otherwise be entitled to cast shall be increased or decreased correspondingly. All the votes which a director is entitled to cast shall be cast as a unit.

(*j*) The Board of Governors shall adopt regulations under which a member not entitled to appoint a director under (*b*) above may send a representative to attend any meeting of the Executive Directors when a request made by, or a matter particularly affecting, that member is under consideration.

(*k*) The Executive Directors may appoint such committees as they deem advisable. Membership of committees need not be limited to governors or directors or their alternates.

Section 4. *Managing Director and staff.*

(*a*) The Executive Directors shall select a Managing Director who shall not be a governor or an executive director. The Managing Director shall be chairman of the Executive Directors, but shall have no vote except a deciding vote in case of an equal division. He may participate in meetings of the Board of Governors, but shall not vote at such meetings. The Managing Director shall cease to hold office when the Executive Directors so decide.

(*b*) The Managing Director shall be chief of the operating staff of the Fund and shall conduct, under the direction of the Executive Directors, the ordinary business of the Fund. Subject to the general control of the Executive Directors, he shall be responsible for the organization, appointment and dismissal of the staff of the Fund.

(*c*) The Managing Director and the staff of the Fund, in the discharge of their functions, shall owe their duty entirely to the Fund and

to no other authority. Each member of the Fund shall respect the international character of this duty and shall refrain from all attempts to influence any of the staff in the discharge of his functions.

(*d*) In appointing the staff the Managing Director shall, subject to the paramount importance of securing the highest standards of efficiency and of technical competence, pay due regard to the importance of recruiting personnel on as wide a geographical basis as possible.

Section 5. *Voting.*

(*a*) Each member shall have two hundred and fifty votes plus one additional vote for each part of its quota equivalent to one hundred thousand United States dollars.

(*b*) Whenever voting is required under Article V, Section 4 or 5, each member shall have the number of votes to which it is entitled under (*a*) above, adjusted:

(i) by the addition of one vote for the equivalent of each 400,000 United States dollars of net sales of its currency up to the date when the vote is taken, or

(ii) by the subtraction of one vote for the equivalent of each 400,000 United States dollars of its net purchases of the currencies of other members up to the date when the vote is taken

provided, that neither net purchases nor net sales shall be deemed at any time to exceed an amount equal to the quota of the member involved.

(*c*) For the purpose of all computations under this Section, United States dollars shall be deemed to be of the weight and fineness in effect on July 1, 1944, adjusted for any uniform change under Article IV, Section 7, if a waiver is made under Section 8 (*d*) of that Article.

(*d*) Except as otherwise specifically provided, all decisions of the Fund shall be made by a majority of the votes cast.

Section 6. *Distribution of net income.*

(*a*) The Board of Governors shall determine annually what part of the Fund's net income shall be placed to reserve and what part, if any, shall be distributed.

(*b*) If any distribution is made, there shall first be distributed a two per cent., non-cumulative payment to each member on the amount by which seventy-five per cent. of its quota exceeded the Fund's average holdings of its currency during that year. The balance shall be paid to all members in proportion to their quotas. Payments to each member shall be made in its own currency.

Section 7. *Publication of reports.*

(*a*) The Fund shall publish an annual report containing an audited statement of its accounts, and shall issue, at intervals of three months or less, a summary statement of its transactions and its holdings of gold and currencies of members.

(*b*) The Fund may publish such other reports as it deems desirable for carrying out its purposes.

Section 8. *Communications of views to members.*

The Fund shall at all times have the right to communicate its views informally to any member on any matter arising under this Agreement. The Fund may, by a two-thirds majority of the total voting power, decide to publish a report made to a member regarding its monetary or economic conditions and developments which directly tend to produce a serious disequilibrium in the international balance of payments of members. If the member is not entitled to appoint an executive director, it shall be entitled to representation in accordance with Section 3 (*j*) of this Article. The Fund shall not publish a report involving changes in the fundamental structure of the economic organization of members.

## Article XIII—Offices and Depositories.

Section 1. *Location of offices.*

The principal office of the Fund shall be located in the territory of the member having the largest quota, and agencies or branch offices may be established in the territories of other members.

Section 2. *Depositories.*

(*a*) Each member country shall designate its central bank as a depository for all the Fund's holdings of its currency, or if it has no central bank it shall designate such other institution as may be acceptable to the Fund.

(*b*) The Fund may hold other assets, including gold, in the depositories designated by the five members having the largest quotas and in such other designated depositories as the Fund may select. Initially, at least one-half of the holdings of the Fund shall be held in the depository designated by the member in whose territories the Fund has its principal office and at least forty per cent. shall be held in the depositories designated by the remaining four members referred to above. However, all transfers of gold by the Fund shall be made with due regard to the costs of transport and anticipated requirements of the Fund. In an emergency the Executive Directors may transfer all or any part of the Fund's gold holdings to any place where they can be adequately protected.

Section 3. *Guarantee of the Fund's assets.*

Each member guarantees all assets of the Fund against loss resulting from failure or default on the part of the depository designated by it.

## Article XIV—Transitional Period.

Section 1. *Introduction.*

The Fund is not intended to provide facilities for relief or reconstruction or to deal with international indebtedness arising out of the war.

Section 2. *Exchange restrictions.*

In the post-war transitional period members may, notwithstanding the provisions of any other articles of this Agreement, maintain and adapt to changing circumstances (and, in the case of members whose territories have been occupied by the enemy, introduce where necessary) restrictions on payments and transfers for current international transactions. Members shall, however, have continuous regard in their foreign exchange policies to the purposes of the Fund; and, as soon as conditions permit, they shall take all possible measures to develop such commercial and financial arrangements with other members as will facilitate international payments and the maintenance of exchange stability. In particular, members shall withdraw restrictions maintained or imposed under this Section as soon as they are satisfied that they will be able, in the absence of such restrictions, to settle their balance of payments in a manner which will not unduly encumber their access to the resources of the Fund.

Section 3. *Notification to the Fund.*

Each member shall notify the Fund before it becomes eligible under Article XX, Section 4 (*c*) or (*d*), to buy currency from the Fund, whether it intends to avail itself of the transitional arrangements in Section 2 of this Article, or whether it is prepared to accept the obligations of Article VIII, Sections 2, 3 and 4. A member availing itself of the transitional arrangements shall notify the Fund as soon thereafter as it is prepared to accept the abovementioned obligations.

Section 4. *Action of the Fund relating to restrictions.*

Not later than three years after the date on which the Fund begins operations and in each year thereafter, the Fund shall report on the restrictions still in force under Section 2 of this Article. Five years after the date on which the Fund begins operations, and in each year thereafter, any member still retaining any restrictions inconsistent with Article VIII, Sections 2, 3, or 4, shall consult the Fund as to their further retention. The Fund may, if it deems such action necessary in exceptional circumstances, make representations to any member that conditions are favourable for the withdrawal of any particular restriction, or for the general abandonment of restrictions, inconsistent with the provisions of any other articles of this Agreement. The member shall be given a suitable time to reply to such representations. If the Fund finds that the member persists in maintaining restrictions which are inconsistent with the purposes of the Fund, the member shall be subject to Article XV, Section (*a*).

Section 5. *Nature of Transitional period.*

In its relations with members, the Fund shall recognize that the post-war transitional period will be one of change and adjustment and in making decisions on requests occasioned thereby which are presented by any member it shall give the member the benefit of any reasonable doubt.

## Article XV—Withdrawal from Membership.

Section 1. *Right of Members to withdraw.*

Any member may withdraw from the Fund at any time by transmitting a notice in writing to the Fund at its principal office. Withdrawal shall become effective on the date such notice is received.

Section 2. *Compulsory withdrawal.*

(*a*) If a member fails to fulfil any of its obligations under this Agreement, the Fund may declare the member ineligible to use the resources of the Fund. Nothing in this Section shall be deemed to limit the provisions of Article IV, Section 6, Article V, Section 5, or Article VI, Section 1.

(*b*) If, after the expiration of a reasonable period the member persists in its failure to fulfil any of its obligations under this Agreement, or a difference between a member and the Fund under Article IV, Section 6, continues, that member may be required to withdraw from membership in the Fund by a decision of the Board of Governors carried by a majority of the governors representing a majority of the total voting power.

(*c*) Regulations shall be adopted to ensure that before action is taken against any member under (*a*) or (*b*) above, the member shall be informed in reasonable time of the complaint against it and given an adequate opportunity for stating its case, both orally and in writing.

Section 3. *Settlement of accounts with members withdrawing.*

When a member withdraws from the Fund, normal transactions of the Fund in its currency shall cease and settlement of all accounts between it and the Fund shall be made with reasonable despatch by agreement between it and the Fund. If agreement is not reached promptly, the provisions of Schedule D shall apply to the settlement of accounts.

## Article XVI—Emergency Provisions.

Section 1. *Temporary Suspension.*

(*a*) In the event of an emergency or the development of unforeseen circumstances threatening the operations of the Fund, the Executive Directors by unanimous vote may suspend for a period of not more than one hundred and twenty days the operation of any of the following provisions:

(i) Article IV, Sections 3 and 4 (*b*).
(ii) Article V, Sections 2, 3, 7, 8 (*a*) and (*e*).
(iii) Article VI, Section 2.
(iv) Article XI, Section 1.

(*b*) Simultaneously with any decision to suspend the operation of any of the foregoing provisions, the Executive Directors shall call a meeting of the Board of Governors for the earliest practicable date.

(*c*) The Executive Directors may not extend any suspension beyond one hundred and twenty days. Such suspension may be extended, however, for an additional period of not more than two hundred and forty days, if the Board of Governors by a four-fifths majority of the total voting power so decides, but it may not be further extended except by amendment of this Agreement pursuant to Article XVII.

(*d*) The Executive Directors may, by a majority of the total voting power, terminate such suspension at any time.

Section 2. *Liquidation of the Fund.*

(*a*) The Fund may not be liquidated except by decision of the Board of Governors. In an emergency, if the Executive Directors decide that liquidation of the Fund may be necessary, they may temporarily suspend all transactions, pending decision by the Board.

(*b*) If the Board of Governors decides to liquidate the Fund, the Fund shall forthwith cease to engage in any activities except those incidental to the orderly collection and liquidation of its assets and the settlement of its liabilities, and all obligations of members under this Agreement shall cease except those set out in this Article, in Article XVIII, paragraph (*c*), in Schedule D, paragraph 7, and in Schedule E.

(*c*) Liquidation shall be administered in accordance with the provisions of Schedule E.

## Article XVII—Amendments.

(*a*) Any proposal to introduce modifications in this Agreement, whether emanating from a member, a governor or the Executive Directors, shall be communicated to the chairman of the Board of Governors who shall bring the proposal before the Board. If the proposed amendment is approved by the Board the Fund shall, by circular letter or telegram, ask all members whether they accept the proposed amendment. When three-fifths of the members, having four-fifths of the total voting power, have accepted the proposed amendment, the Fund shall certify the fact by a formal communication addressed to all members.

(*b*) Notwithstanding (*a*) above, acceptance by all members is required in the case of any amendment modifying

(i) the right to withdraw from the Fund (Article XV, Section 1);

(ii) the provision that no change in a member's quota shall be made without its consent (Article III, Section 2);

(iii) the provision that no change may be made in the par value of a member's currency except on the proposal of that member (Article IV, Section 5 (*b*) ).

(*c*) Amendments shall enter into force for all members three months after the date of the formal communication unless a shorter period is specified in the circular letter or telegram.

## Article XVIII—Interpretation.

(*a*) Any question of interpretation of the provisions of this Agreement arising between any member and the Fund or between any members of the Fund shall be submitted to the Executive Directors for their decision. If the question particularly affects any member not entitled to appoint an executive director it shall be entitled to representation in accordance with Article XII, Section 3 (*j*).

(*b*) In any case where the Executive Directors have given a decision under (*a*) above, any member may require that the question be referred to the Board of Governors, whose decision shall be final. Pending the result of the reference to the Board the Fund may, so far as it deems necessary, act on the basis of the decision of the Executive Directors.

(*c*) Whenever a disagreement arises between the Fund and a member which has withdrawn, or between the Fund and any member during the liquidation of the Fund, such disagreement shall be submitted to arbitration by a tribunal of three arbitrators, one appointed by the Fund, another by the member or withdrawing member and an umpire who, unless the parties otherwise agree, shall be appointed by the President of the Permanent Court of International Justice or such other authority as may have been prescribed by regulation adopted by the Fund. The umpire shall have full power to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.

## Article XIX—Explanation of Terms.

In interpreting the provisions of this Agreement the Fund and its members shall be guided by the following:

(*a*) A member's monetary reserves means its net official holdings of gold, of convertible currencies of other members, and of the currencies of such non-members as the Fund may specify.

(*b*) The official holdings of a member means central holdings (that is, the holdings of its Treasury, central bank, stabilization fund, or similar fiscal agency).

(*c*) The holdings of other official institutions or other banks within its territories may, in any particular case, be deemed by the Fund, after consultation with the member, to be official holdings to the extent that they are substantially in excess of working balances; provided that for the purpose of determining whether, in a particular case, holdings are in excess of working balances, there shall be deducted from such holdings amounts of currency due to official institutions and banks in the territories of members or non-members specified under (*d*) below.

(*d*) A member's holdings of convertible currencies means its holdings of the currencies of other members which are not availing themselves of the transitional arrangements under Article XIV, Section 2, together with its holdings of the currencies of such non-members as

the Fund may from time to time specify. The term currency for this purpose includes without limitation coins, paper money, bank balances, bank acceptances, and government obligations issued with a maturity not exceeding twelve months.

(*e*) A member's monetary reserves shall be calculated by deducting from its central holdings the currency liabilities to the Treasuries, central banks, stabilization funds, or similar fiscal agencies of other members or non-members specified under (*d*) above, together with similar liabilities to other official institutions and other banks in the territories of members, or non-members specified under (*d*) above. To these net holdings shall be added the sums deemed to be official holdings of other official institutions and other banks under (*c*) above.

(*f*) The Fund's holdings of the currency of a member shall include any securities accepted by the Fund under Article III, Section 5.

(*g*) The Fund, after consultation with a member which is availing itself of the transitional arrangements under Article XIV, Section 2, may deem holdings of the currency of that member which carry specified rights of conversion into another currency or into gold to be holdings of convertible currency for the purpose of the calculation of monetary reserves.

(*h*) For the purpose of calculating gold subscriptions under Article III, Section 3, a member's net official holdings of gold and United States dollars shall consist of its official holdings of gold and United States currency after deducting central holdings of its currency by other countries and holdings of its currency by other official institutions and other banks if these holdings carry specified rights of conversion into gold or United States currency.

(*i*) Payments for current transactions means payments which are not for the purpose of transferring capital, and includes, without limitation:

(i) All payments due in connection with foreign trade, other current business, including services, and normal short-term banking and credit facilities;

(ii) Payments due as interest on loans and as net income from other investments;

(iii) Payments of moderate amount for amortization of loans or for depreciation of direct investments;

(iv) Moderate remittances for family living expenses.

The Fund may, after consultation with the members concerned, determine whether certain specific transactions are to be considered current transactions or capital transactions.

## Article XX—Final Provisions.

Section 1. *Entry into force.*

This Agreement shall enter into force when it has been signed on behalf of governments having sixty-five per cent. of the total of the quotas set forth in Schedule A and when the instruments referred to in Section 2 (*a*) of this Article have been deposited on their behalf, but in no event shall this Agreement enter into force before May 1, 1945.

Section 2. *Signature.*

(*a*) Each government on whose behalf this Agreement is signed shall deposit with the Government of the United States of America an instrument setting forth that it has accepted this Agreement in accordance with its law and has taken all steps necessary to enable it to carry out all of its obligations under this Agreement.

(*b*) Each government shall become a member of the Fund as from the date of the deposit on its behalf of the instrument referred to in (*a*) above, except that no government shall become a member before this Agreement enters into force under Section 1 of this Article.

(*c*) The Government of the United States of America shall inform the governments of all countries whose names are set forth in Schedule A, and all governments whose membership is approved in accordance with Article II, Section 2, of all signatures of this Agreement and of the deposit of all instruments referred to in (*a*) above.

(*d*) At the time this Agreement is signed on its behalf, each government shall transmit to the Government of the United States of America one one-hundredth of one per cent. of its total subscription in gold or United States dollars for the purpose of meeting administrative expenses of the Fund. The Government of the United States of America shall hold such funds in a special deposit account and shall transmit them to the Board of Governors of the Fund when the initial meeting has been called under Section 3 of this Article. If this Agreement has not come into force by December 31, 1945, the Government of the United States of America shall return such funds to the governments that transmitted them.

(*e*) This Agreement shall remain open for signature at Washington on behalf of the governments of the countries whose names are set forth in Schedule A until December 31, 1945.

(*f*) After December 31, 1945, this Agreement shall be open for signature on behalf of the government of any country whose membership has been approved in accordance with Article II, Section 2.

(*g*) By their signature of this Agreement, all governments accept it both on their own behalf and in respect of all their colonies, overseas territories, all territories under their protection, suzerainty, or authority and all territories in respect of which they exercise a mandate.

(*h*) In the case of governments whose metropolitan territories have been under enemy occupation, the deposit of the instrument referred to in (*a*) above may be delayed until one hundred and eighty days after the date on which these territories have been liberated. If, however, it is not deposited by any such government before the expiration of this period the signature affixed on behalf of that government shall become void and the portion of its subscription paid under (*d*) above shall be returned to it.

(*i*) Paragraphs (*d*) and (*h*) shall come into force with regard to each signatory government as from the date of its signature.

Section 3. *Inauguration of the Fund.*

(*a*) As soon as this Agreement enters into force under Section 1 of this Article, each member shall appoint a governor and the member having the largest quota shall call the first meeting of the Board of Governors.

(*b*) At the first meeting of the Board of Governors, arrangements shall be made for the selection of provisional executive directors. The governments of the five countries for which the largest quotas are set forth in Schedule A shall appoint provisional executive directors. If one or more of such governments have not become members, the executive directorships they would be entitled to fill shall remain vacant until they become members, or until January 1, 1946, whichever is the earlier. Seven provisional executive directors shall be elected in accordance with the provisions of Schedule B and shall remain in office until the date of the first regular election of executive directors which shall be held as soon as practicable after January 1, 1946.

(*c*) The Board of Governors may delegate to the provisional executive directors any powers except those which may not be delegated to the Executive Directors.

Section 4. *Initial determination of par values.*

(*a*) When the Fund is of the opinion that it will shortly be in a position to begin exchange transactions, it shall so notify the members and shall request each member to communicate within thirty days the par value of its currency based on the rates of exchange prevailing on the sixtieth day before the entry into force of this Agreement. No member whose metropolitan territory has been occupied by the enemy shall be required to make such a communication while that territory is a theatre of major hostilities or for such period thereafter as the Fund may determine. When such a member communicates the par value of its currency the provisions of (*d*) below shall apply.

(*b*) The par value communicated by a member whose metropolitan territory has not been occupied by the enemy shall be the par value of that member's currency for the purposes of this Agreement unless, within ninety days after the request referred to in (*a*) above has been received, (i) the member notifies the Fund that it regards the par value as unsatisfactory, or (ii) the Fund notifies the member that in its opinion the par value cannot be maintained without causing recourse to the Fund on the part of that member or others on a scale prejudicial to the Fund and to members. When notification is given under (i) or (ii) above, the Fund and the member shall, within a period determined by the Fund in the light of all relevant circumstances, agree upon a suitable par value for that currency. If the Fund and the member do not agree within the period so determined, the member shall be deemed to have withdrawn from the Fund on the date when the period expires.

(*c*) When the par value of a member's currency has been established under (*b*) above, either by the expiration of ninety days without notification, or by agreement after notification, the member shall be

eligible to buy from the Fund the currencies of other members to the full extent permitted in this Agreement, provided that the Fund has begun exchange transactions.

(*d*) In the case of a member whose metropolitan territory has been occupied by the enemy, the provisions of (*b*) above shall apply, subject to the following modifications:

(i) The period of ninety days shall be extended so as to end on a date to be fixed by agreement between the Fund and the member;

(ii) Within the extended period the member may, if the Fund has begun exchange transactions, buy from the Fund with its currency the currencies of other members, but only under such conditions and in such amounts as may be prescribed by the Fund;

(iii) At any time before the date fixed under (i) above, changes may be made by agreement with the Fund in the par value communicated under (*a*) above.

(*e*) If a member whose metropolitan territory has been occupied by the enemy adopts a new monetary unit before the date to be fixed under (*d*) (i) above, the par value fixed by that member for the new unit shall be communicated to the Fund and the provisions of (*d*) above shall apply.

(*f*) Changes in par values agreed with the Fund under this Section shall not be taken into account in determining whether a proposed change falls within (i), (ii) or (iii) of Article IV, Section 5 (*c*).

(*g*) A member communicating to the Fund a par value for the currency of its metropolitan territory shall simultaneously communicate a value, in terms of that currency, for each separate currency, where such exists, in the territories in respect of which it has accepted this Agreement under Section 2 (*g*) of this Article, but no member shall be required to make a communication for the separate currency of a territory which has been occupied by the enemy while that territory is a theatre of major hostilities or for such period thereafter as the Fund may determine. On the basis of the par value so communicated, the Fund shall compute the par value of each separate currency. A communication or notification to the Fund under (*a*), (*b*) or (*d*) above regarding the par value of a currency, shall also be deemed, unless the contrary is stated, to be a communication or notification regarding the par value of all the separate currencies referred to above. Any member may, however, make a communication or notification relating to the metropolitan or any of the separate currencies alone. If the member does so, the provisions of the preceding paragraphs (including (*d*) above, if a territory where a separate currency exists has been occupied by the enemy) shall apply to each of these currencies separately.

(*h*) The Fund shall begin exchange transactions at such date as it may determine after members having sixty-five per cent. of the total of the quotas set forth in Schedule A have become eligible, in accordance with the preceding paragraphs of this Section, to purchase the currencies of other members, but in no event until after major hostilities in Europe have ceased.

(*i*) The Fund may postpone exchange transactions with any member if its circumstances are such that, in the opinion of the Fund, they would lead to use of the resources of the Fund in a manner contrary to the purposes of this Agreement or prejudicial to the Fund or the members.

(*j*) The par values of the currencies of governments which indicate their desire to become members after December 31, 1945, shall be determined in accordance with the provisions of Article II, Section 2.

DONE at Washington, in a single copy which shall remain deposited in the archives of the Government of the United States of America which shall transmit certified copies to all governments whose names are set forth in Schedule A and to all governments whose membership is approved in accordance with Article II, Section 2.

## SCHEDULE A.

### QUOTAS.

| | (In millions of United States Dollars) |
|---|---|
| Australia | 200 |
| Belgium | 225 |
| Bolivia | 10 |
| Brazil | 150 |
| Canada | 300 |
| Chile | 50 |
| China | 550 |
| Colombia | 50 |
| Costa Rica | 5 |
| Cuba | 50 |
| Czechoslovakia | 125 |
| Denmark* | * |
| Dominican Republic | 5 |
| Ecuador | 5 |
| Egypt | 45 |
| El Salvador | 2·5 |
| Ethiopia | 6 |
| France | 450 |
| Greece | 40 |
| Guatemala | 5 |
| Haiti | 5 |
| Honduras | 2·5 |
| Iceland | 1 |
| India | 400 |
| Iran | 25 |
| Iraq | 8 |
| Liberia | ·5 |
| Luxembourg | 10 |
| Mexico | 90 |
| Netherlands | 275 |
| New Zealand | 50 |
| Nicaragua | 2 |
| Norway | 50 |
| Panama | ·5 |
| Paraguay | 2 |
| Peru | 25 |
| Philippine Commonwealth | 15 |
| Poland | 125 |
| Union of South Africa | 100 |
| Union of Soviet Socialist Republics | 1200 |
| United Kingdom | 1300 |
| United States | 2750 |

## SCHEDULE A—*Conc.*

QUOTAS—*Conc.*

| | (In millions of United States Dollars) |
|---|---|
| Uruguay | 15 |
| Venezuela | 15 |
| Yugoslavia | 60 |

*The quota of Denmark shall be determined by the Fund after the Danish Government has declared its readiness to sign this Agreement but before signature takes place.

## SCHEDULE B.

PROVISIONS WITH RESPECT TO REPURCHASE BY A MEMBER OF ITS CURRENCY HELD BY THE FUND.

1. In determining the extent to which repurchase of a member's currency from the Fund under Article V, Section 7 *(b)* shall be made with each type of monetary reserve, that is, with gold and with each convertible currency, the following rule, subject to 2 below, shall apply:

*(a)* If the member's monetary reserves have not increased during the year, the amount payable to the Fund shall be distributed among all types of reserves in proportion to the member's holdings thereof at the end of the year.

*(b)* If the member's monetary reserves have increased during the year, a part of the amount payable to the Fund equal to one-half of the increase shall be distributed among those types of reserves which have increased in proportion to the amount by which each of them has increased. The remainder of the sum payable to the Fund shall be distributed among all types of reserves in proportion to the member's remaining holdings thereof.

*(c)* If after all the repurchases required under Article V, Section 7 *(b)*, had been made, the result would exceed any of the limits specified in Article V, Section 7 *(c)*, the Fund shall require such repurchases to be made by the members proportionately in such manner that the limits will not be exceeded.

2. The Fund shall not acquire the currency of any non-member under Article V, Section 7 *(b)* and *(c)*.

3. In calculating monetary reserves and the increase in monetary reserves during any year for the purpose of Article V, Section 7 *(b)* and *(c)*, no account shall be taken, unless deductions have otherwise been made by the member for such holdings, of any increase in those monetary reserves which is due to currency previously inconvertible having become convertible during the year; or to holdings which are the proceeds of a long-term or medium-term loan contracted during the year; or to holdings which have been transferred or set aside for repayment of a loan during the subsequent year.

4. In the case of members whose metropolitan territories have been occupied by the enemy, gold newly produced during the five years after the entry into force of this Agreement from mines located within their metropolitan territories shall not be included in computations of their monetary reserves or of increases in their monetary reserves.

## SCHEDULE C.

ELECTION OF EXECUTIVE DIRECTORS.

1. The election of the elective executive directors shall be by ballot of the governors eligible to vote under Article XII, Section 3 *(b)* (iii) and (iv).

2. In balloting for the five directors to be elected under Article XII, Section 3 *(b)* (iii), each of the governors eligible to vote shall cast for one person all of the votes to which he is entitled under Article XII, Section 5 *(a)*. The five persons receiving the greatest number of votes shall be directors, provided that no person who received less than nineteen per cent. of the total number of votes that can be cast (eligible votes) shall be considered elected.

3. When five persons are not elected in the first ballot, a second ballot shall be held in which the person who received the lowest number of votes shall be ineligible for election and in which there shall vote only *(a)* those governors who voted in the first ballot for a person not elected, and *(b)* those governors whose votes for a person elected are deemed under 4 below to have raised the votes cast for that person above twenty per cent. of the eligible votes.

4. In determining whether the votes cast by a governor are to be deemed to have raised the total of any person above twenty per cent. of the eligible votes the twenty per cent. shall be deemed to include, first, the votes of the governor casting the largest number of votes for such person, then the votes of the governor casting the next largest number, and so on until twenty per cent, is reached.

5. Any governor part of whose votes must be counted in order to raise the total of any person above nineteen per cent. shall be considered as casting all of his votes for such person even if the total votes for such person thereby exceed twenty per cent.

6. If, after the second ballot, five persons have not been elected, further ballots shall be held on the same principles until five persons have been elected, provided that after four persons are elected, the fifth may be elected by a simple majority of the remaining votes and shall be deemed to have been elected by all such votes.

7. The directors to be elected by the American Republics under Article XII, Section 3 *(b)* (iv) shall be elected as follows:

(*a*) Each of the directors shall be elected separately.

(*b*) In the election of the first director, each governor representing an American Republic eligible to participate in the election shall cast for one person all the votes to which he is entitled. The person receiving the largest number of votes shall be elected provided that he has received not less than forty-five per cent. of the total votes.

(*c*) If no person is elected on the first ballot further ballots shall be held, in each of which the person receiving the lowest number of votes shall be eliminated, until one person receives a number of votes sufficient for election under (*b*) above.

(*d*) Governors whose votes contribute to the election of the first director shall take no part in the election of the second director.

(*e*) Persons who did not succeed in the first election shall not be ineligible for election as the second director.

(*f*) A majority of the votes which can be cast shall be required for election of the second director. If at the first ballot no person receives a majority, further ballots shall be held in each of which the person receiving the lowest number of votes shall be eliminated, until some person obtains a majority.

(*g*) The second director shall be deemed to have been elected by all the votes which could have been cast in the ballot securing his election.

## SCHEDULE D.

### Settlement of Accounts with Members Withdrawing.

1. The Fund shall be obligated to pay to a member withdrawing an amount equal to its quota, plus any other amounts due to it from the Fund, less any amounts in its currency due to the Fund, including charges accruing after the date of its withdrawal; but no payment shall be made until six months after the date of withdrawal. Payments shall be made in the currency of the withdrawing member.

2. If the Fund's holdings of the currency of the withdrawing member are not sufficient to pay the net amount due from the Fund, the balance shall be paid in gold, or in such other manner as may be agreed. If the Fund and the withdrawing member do not reach agreement within six months of the date of withdrawal, the currency in question held by the Fund shall be paid forthwith to the withdrawing member. Any balance due shall be paid in ten half-yearly instalments during the ensuing five years. Each such instalment shall be paid, at the option of the Fund, either in the currency of the withdrawing member acquired after its withdrawal or by the delivery of gold.

3. If the Fund fails to meet any instalment which is due in accordance with the preceding paragraphs, the withdrawing member shall be entitled to require the Fund to pay the instalment in any currency held by the Fund with the exception of any currency which has been declared scarce under Article VII, Section 3.

4. If the Fund's holdings of the currency of a withdrawing member exceed the amount due to it, and if agreement on the method of settling accounts is not reached within six months of the date of withdrawal, the former member shall be obligated to redeem such excess currency in gold or, at its option, in the currencies of members which at the time of redemption are convertible. Redemption shall be made at the parity existing at the time of withdrawal from the Fund. The withdrawing member shall complete redemption within five years of the date of withdrawal, or within such longer period as may be fixed by the Fund, but shall not be required to redeem in any half-yearly period more than one-tenth of the Fund's excess holdings of its currency at the date of withdrawal plus further acquisitions of the currency during such half-yearly period. If the withdrawing member does not fulfil this obligation, the Fund may in an orderly manner liquidate in any market the amount of currency which should have been redeemed.

5. Any member desiring to obtain the currency of a member which has withdrawn shall acquire it by purchase from the Fund, to the extent that such member has access to the resources of the Fund and that such currency is available under 4 above.

6. The withdrawing member guarantees the unrestricted use at all times of the currency disposed of under 4 and 5 above for the purchase of goods or for payment of sums due to it or to persons within its territories. It shall compensate the Fund for any loss resulting from the difference between the par value of its currency on the date of withdrawal and the value realized by the Fund on disposal under 4 and 5 above.

7. In the event of the Fund going into liquidation under Article XVI, Section 2, within six months of the date on which the member withdraws, the account between the Fund and that government shall be settled in accordance with Article XVI, Section 2, and Schedule E.

## SCHEDULE E

### Administration of Liquidation

1. In the event of liquidation the liabilities of the Fund other than the repayment of subscriptions shall have priority in the distribution of the assets of the Fund. In meeting each such liability the Fund shall use its assets in the following order:—

(*a*) the currency in which the liability is payable;

(*b*) gold;

(*c*) all other currencies in proportion, so far as may be practicable, to the quotas of the members.

2. After the discharge of the Fund's liabilities in accordance with 1 above, the balance of the Fund's assets shall be distributed and apportioned as follows:

(*a*) The Fund shall distribute its holdings of gold among the members whose currencies are held by the Fund in amounts less than their quotas. These members shall share the gold so distributed in the proportions of the amounts by which their quotas exceed the Fund's holdings of their currencies.

(*b*) The Fund shall distribute to each member one-half the Fund's holdings of its currency but such distribution shall not exceed fifty per cent. of its quota.

(*c*) The Fund shall apportion the remainder of its holdings of each currency among all the members in proportion to the amounts due to each member after the distributions under (*a*) and (*b*) above.

3. Each member shall redeem the holdings of its currency apportioned to other members under 2 (*c*) above, and shall agree with the Fund within three months after a decision to liquidate upon an orderly procedure for such redemption.

4. If a member has not reached agreement with the Fund within the three month period referred to in 3 above, the Fund shall use the currencies of other members apportioned to that member under 2 (*c*) above to redeem the currency of that member apportioned to other members. Each currency apportioned to a member which has not reached agreement shall be used, as far as possible, to redeem its currency apportioned to the members which have made agreements with the Fund under 3 above.

5. If a member has reached agreement with the Fund in accordance with 3 above, the Fund shall use the currencies of other members apportioned to that member under 2 (c) above to redeem the currency of that member apportioned to other members which have made agreements with the Fund under 3 above. Each amount so redeemed shall be redeemed in the currency of the member to which it was apportioned.

6. After carrying out the preceding paragraphs, the Fund shall pay to each member the remaining currencies held for its account.

7. Each member whose currency has been distributed to other members under 6 above shall redeem such currency in gold or, at its option, in the currency of the member requesting redemption, or in such other manner as may be agreed between them. If the members involved do not otherwise agree, the member obligated to redeem shall complete redemption within five years of the date of distribution, but shall not be required to redeem in any half-yearly period more than one-tenth of the amount distributed to each other member. If the member does not fulfil this obligation, the amount of currency which should have been redeemed may be liquidated in an orderly manner in any market.

8. Each member whose currency has been distributed to other members under 6 above guarantees the unrestricted use of such currency at all times for the purchase of goods or for payment of sums due to it or to persons in its territories Each member so obligated agrees to compensate other members for any loss resulting from the difference between the par value of its currency on the date of the decision to liquidate the Fund and the value realized by such members on disposal of its currency.

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## SECOND SCHEDULE.

## ARTICLES OF AGREEMENT OF THE INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

The Governments on whose behalf the present Agreement is signed agree as follows:

### INTRODUCTORY ARTICLE.

The International Bank of Reconstruction and Development is established and shall operate in accordance with the following provisions:

#### Article I—Purposes

The purposes of the Bank are:

(i) To assist in the reconstruction and development of territories of members by facilitating the investment of capital for productive purposes, including the restoration of economies destroyed or disrupted by war, the reconversion of productive facilities to peacetime needs and the encouragement of the development of productive facilities and resources in less developed countries.

(ii) To promote private foreign investment by means of guarantees or participations in loans and other investments made by private investors; and when private capital is not available on reasonable terms, to supplement private investment by providing, on suitable conditions, finance for productive purposes out of its own capital, funds raised by it and its other resources.

(iii) To promote the long-range balanced growth of international trade and the maintenance of equilibrium in balances of payments by encouraging international investment for the development of the productive resources of members, thereby assisting in raising productivity, the standard of living and conditions of labour in their territories.

(iv) To arrange the loans made or guaranteed by it in relation to international loans through other channels so that the more useful and urgent projects, large and small alike, will be dealt with first.

(v) To conduct its operations with due regard to the effect of international investment on business conditions in the territories of members and, in the immediate post-war years, to assist in bringing about a smooth transition from a wartime to a peacetime economy.

The Bank shall be guided in all its decisions by the purposes set forth above.

## Article II—Membership in and Capital of the Bank

Section 1. *Membership.*

(*a*) The original members of the Bank shall be those members of the International Monetary Fund which accept membership in the Bank before the date specified in Article XI, Section 2 (*e*).

(*b*) Membership shall be open to other members of the Fund, at such times and in accordance with such terms as may be prescribed by the Bank.

Section 2. *Authorized capital.*

(*a*) The authorized capital stock of the Bank shall be $10,000,000,000, in terms of United States dollars of the weight and fineness in effect on July 1, 1944. The capital stock shall be divided into 100,000 shares having a par value of $100,000 each, which shall be available for subscription only by members.

(*b*) The capital stock may be increased when the Bank deems it advisable by a three-fourths majority of the total voting power.

Section 3. *Subscription of shares.*

(*a*) Each member shall subscribe shares of the capital stock of the Bank. The minimum number of shares to be subscribed by the original members shall be those set forth in Schedule A. The minimum number of shares to be subscribed by other members shall be determined by the Bank, which shall reserve a sufficient portion of its capital stock for subscription by such members.

(*b*) The Bank shall prescribe rules laying down the conditions under which members may subscribe shares of the authorized capital stock of the Bank in addition to their minimum subscriptions.

(*c*) If the authorized capital stock of the Bank is increased, each member shall have a reasonable opportunity to subscribe, under such conditions as the Bank shall decide, a proportion of the increase of stock equivalent to the proportion which its stock theretofore subscribed bears to the total capital stock of the Bank, but no member shall be obligated to subscribe any part of the increased capital.

Section 4. *Issue price of shares.*

Shares included in the minimum subscriptions of original members shall be issued at par. Other shares shall be issued at par unless the Bank by a majority of the total voting power decides in special circumstances to issue them on other terms.

Section 5. *Division and calls of subscribed capital.*

The subscription of each member shall be divided into two parts as follows:

(i) twenty per cent. shall be paid or subject to call under Section 7 (*i*) of this Article as needed by the Bank for its operations;

(ii) the remaining eighty per cent. shall be subject to call by the Bank only when required to meet obligations of the Bank created under Article IV, Section 1 (*a*) (ii) and (iii).

Calls on unpaid subscriptions shall be uniform on all shares.

Section 6. *Limitation on liability.*

Liability on shares shall be limited to the unpaid portion of the issue price of the shares.

Section 7. *Method of payment of subscriptions for shares.*

Payment of subscriptions for shares shall be made in gold or United States dollars and in the currencies of the members as follows:

(i) under Section 5 (i) of this Article, two per cent of the price of each share shall be payable in gold or United States dollars, and, when calls are made, the remaining eighteen per cent. shall be paid in the currency of the member;

(ii) when a call is made under Section 5 (ii) of this Article, payment may be made at the option of the member either in gold, United States dollars or in the currency required to discharge the obligations of the Bank for the purpose for which the call is made;

(iii) when a member makes payments in any currency under (i) and (ii) above, such payments shall be made in amounts equal in value to the member's liability under the call. This liability shall be a proportionate part of the subscribed capital stock of the Bank as authorized and defined in Section 2 of this Article.

Section 8. *Time of payment of subscriptions.*

(*a*) The two per cent. payable on each share in gold or United States dollars under Section 7 (i) of this Article, shall be paid within sixty days of the date on which the Bank begins operations, provided that (i) any original member of the Bank whose metropolitan territory has suffered from enemy occupation or hostilities during the present war shall be granted the right to postpone payment of one-half per cent. until five years after that date; (ii) an original member who cannot make such a payment because it has not recovered possession of its gold reserves which are still seized or immobilized as a result of the war may postpone all payment until such date as the Bank may decide.

(*b*) The remainder of the price of each share payable under Section 7 (i) of this Article shall be paid as and when called by the Bank, provided that

(i) the Bank shall, within one year of its beginning operations, call not less than eight per cent. of the price of the share in addition to the payment of two per cent. referred to in (*a*) above:

(ii) not more than five per cent. of the price of the share shall be called in any period of three months.

Section 9. *Maintenance of value of certain currency holdings of the Bank.*

(*a*) Whenever (i) the par value of a member's currency is reduced, or (ii) the foreign exchange value of a member's currency has, in the opinion of the Bank, depreciated to a significant extent within that member's territories, the member shall pay to the Bank within a reasonable time an additional amount of its own currency sufficient

to maintain the value, as of the time of initial subscription, of the amount of the currency of such member, which is held by the Bank and derived from currency originally paid in to the Bank by the member under Article II, Section 7 (i), from currency referred to in Article IV, Section 2 (*b*), or from any additional currency furnished under the provisions of the present paragraph, and which has not been re-purchased by the member for gold or for the currency of any member which is acceptable to the Bank.

(*b*) Whenever the par value of a member's currency is increased, the Bank shall return to such member within a reasonable time an amount of that member's currency equal to the increase in the value of the amount of such currency described in (*a*) above.

(*c*) The provisions of the preceding paragraphs may be waived by the Bank when a uniform proportionate change in the par values of the currencies of all its members is made by the International Monetary Fund.

Section 10. *Restriction on disposal of shares.*

Shares shall not be pledged or encumbered in any manner whatever and they shall be transferable only to the Bank.

## Article III—General Provisions relating to Loans and Guarantees.

Section 1. *Use of resources.*

(*a*) The resources and the facilities of the Bank shall be used exclusively for the benefit of members with equitable consideration to projects for development and projects for reconstruction alike.

(*b*) For the purpose of facilitating the restoration and reconstruction of the economy of members whose metropolitan territories have suffered great devastation from enemy occupation or hostilities, the Bank, in determining the conditions and terms of loans made to such members, shall pay special regard to lightening the financial burden and expediting the completion of such restoration and reconstruction.

Section 2. *Dealings between members and the Bank.*

Each member shall deal with the Bank only through its Treasury, central bank, stabilization fund or other similar fiscal agency, and the Bank shall deal with members only by or through the same agencies.

Section 3. *Limitations on guarantees and borrowings of the Bank.*

The total amount outstanding of guarantees, participations in loans and direct loans made by the Bank shall not be increased at any time, if by such increase the total would exceed one hundred per cent. of the unimpaired subscribed capital, reserves and surplus of the Bank.

Section 4. *Conditions on which the Bank may guarantee or make loans.*

The Bank may guarantee, participate in, or make loans to any member or any political subdivision thereof and any business, indus-

trial, and agricultural enterprise in the territories of a member, subject to the following conditions:

(1) When the member in whose territories the project is located is not itself the borrower, the member or the central bank or some comparable agency of the member which is acceptable to the Bank, fully guarantees the repayment of the principal and the payment of interest and other charges on the loan.

(2) The Bank is satisfied that in the prevailing market conditions the borrower would be unable otherwise to obtain the loan under conditions which in the opinion of the Bank are reasonable for the borrower.

(3) A competent committee, as provided for in Article V, Section 7, has submitted a written report recommending the project after a careful study of the merits of the proposal.

(4) In the opinion of the Bank the rate of interest and other charges are reasonable and such rate, charges and the schedule for repayment of principal are appropriate to the project.

(5) In making or guaranteeing a loan, the Bank shall pay due regard to the prospects that the borrower, and, if the borrower is not a member, that the guarantor, will be in position to meet its obligations under the loan; and the Bank shall act prudently in the interests both of the particular member in whose territories the project is located and of the members as a whole.

(6) In guaranteeing a loan made by other investors, the Bank receives suitable compensation for its risk.

(7) Loans made or guaranteed by the Bank shall, except in special circumstances, be for the purpose of specific projects of reconstruction or development.

Section 5. *Use of loans guaranteed, participated in or made by the Bank.*

(*a*) The Bank shall impose no conditions that the proceeds of a loan shall be spent in the territories of any particular member or members.

(*b*) The Bank shall make arrangements to ensure that the proceeds of any loan are used only for the purposes for which the loan was granted, with due attention to considerations of economy and efficiency and without regard to political or other non-economic influences or considerations.

(*c*) In the case of loans made by the Bank, it shall open an account in the name of the borrower and the amount of the loan shall be credited to this account in the currency or currencies in which the loan is made. The borrower shall be permitted by the Bank to draw on this account only to meet expenses in connection with the project as they are actually incurred.

## Article IV—Operations.

Section 1. *Methods of making or facilitating loans.*

(a) The Bank may make or facilitate loans which satisfy the general conditions of Article III in any of the following ways:

(i) By making or participating in direct loans out of its own funds corresponding to its unimpaired paid-up capital, surplus and, subject to Section 6 of this Article, to its reserves;

(ii) By making or participating in direct loans out of funds raised in the market of a member, or otherwise borrowed by the Bank;

(iii) By guaranteeing in whole or in part loans made by private investors through the usual investment channels.

(b) The Bank may borrow funds under (a) (ii) above or guarantee loans under (a) (iii) above only with the approval of the member in whose markets the funds are raised and the member in whose currency the loan is denominated, and only if those members agree that the proceeds may be exchanged for the currency of any other member without restriction.

Section 2. *Availability and transferability of currencies.*

(a) Currencies paid into the Bank under Article II, Section 7 (i), shall be loaned only with the approval in each case of the member whose currency is involved; provided, however, that if necessary, after the Bank's subscribed capital has been entirely called, such currencies shall, without restriction by the members whose currencies are offered, be used or exchanged for the currencies required to meet contractual payments of interest, other charges or amortization on the Bank's own borrowings, or to meet the Bank's liabilities with respect to such contractual payments on loans guaranteed by the Bank.

(b) Currencies received by the Bank from borrowers or guarantors in payment on account of principal of direct loans made with currencies referred to in (a) above shall be exchanged for the currencies of other members or reloaned only with the approval in each case of the members whose currencies are involved; provided, however, that if necessary, after the Bank's subscribed capital has been entirely called, such currencies shall, without restriction by the members whose currencies are offered, be used or exchanged for the currencies required to meet contractual payments of interest, other charges or amortization on the Bank's own borrowings, or to meet the Bank's liabilities with respect to such contractual payments on loans guaranteed by the Bank.

(c) Currencies received by the Bank from borrowers or guarantors in payment on account of principal of direct loans made by the Bank under Section 1 (a) (ii) of this Article, shall be held and used without restriction by the members to make amortization payments, or to anticipate payment of or repurchase part of all of the Bank's own obligations.

(d) All other currencies available to the Bank, including those raised in the market or otherwise borrowed under Section 1 (a) (ii) of this Article, those obtained by the sale of gold, those received as payments of interest and other charges for direct loans made under Section 1 (a) (i) and (ii), and those received as payments of commissions and other charges under Section 1 (a) (iii), shall be used or exchanged for other currencies or gold required in the operations of the Bank without restriction by the members whose currencies are offered.

(e) Currencies raised in the markets of members by borrowers on loans guaranteed by the Bank under Section 1 (a) (iii) of this Article, shall also be used or exchanged for other currencies without restriction by such members.

Section 3. *Provision of currencies for direct loans.*

The following provisions shall apply to direct loans under Section 1 (a) (i) and (ii) of this Article:

(a) The Bank shall furnish the borrower with such currencies of members other than the member in whose territories the project is located as are needed by the borrower for expenditures to be made in the territories of such other members to carry out the purposes of the loan.

(b) The Bank may, in exceptional circumstances when local currency required for the purposes of the loan cannot be raised by the borrower on reasonable terms, provide the borrower as part of the loan with an appropriate amount of that currency.

(c) The Bank, if the project gives rise indirectly to an increased need for foreign exchange by the member in whose territories the project is located, may in exceptional circumstances provide the borrower as part of the loan with an appropriate amount of gold or foreign exchange not in excess of the borrower's local expenditure in connection with the purposes of the loan.

(d) The Bank may, in exceptional circumstances, at the request of a member in whose territories a portion of the loan is spent, repurchase with gold or foreign exchange a part of that member's currency thus spent but in no case shall the part so repurchased exceed the amount by which the expenditure of the loan in those territories gives rise to an increased need for foreign exchange.

Section 4. *Payment provisions for direct loans.*

Loan contracts under Section 1 (a) (i) or (ii) of this Article shall be made in accordance with the following payment provisions:

(a) The terms and conditions of interest and amortization payments, maturity and dates of payment of each loan shall be determined by the Bank. The Bank shall also determine the rate and any other terms and conditions of commission to be charged in connection with such loan.

In the case of loans made under Section 1 (a) (ii) of this Article during the first ten years of the Bank's operations, this rate of commission shall be not less than one per cent. per annum and not greater than one and one-half per cent. per annum, and shall be charged on the outstanding portion of any such loan. At the end of this period of ten years, the rate of commission may be reduced by the Bank with respect both to the outstanding portions of loans already made and to future loans, if the reserves accumulated by the Bank under Section 6 of this Article and out of other earnings are considered by it sufficient to justify a reduction. In the case of future loans the Bank shall also have discretion to increase the rate of commission beyond the above limit, if experience indicates that an increase is advisable.

(b) All loan contracts shall stipulate the currency or currencies in which payments under the contract shall be made to the Bank. At the option of the borrower, however, such payments may be made in gold, or subject to the agreement of the Bank, in the currency of a member other than that prescribed in the contract.

(i) In the case of loans made under Section 1 (a) (i) of this Article, the loan contracts shall provide that payments to the Bank of interest, other charges and amortization shall be made in the currency loaned, unless the member whose currency is loaned agrees that such payments shall be made in some other specified currency or currencies. These payments, subject to the provisions of Article II, Section 9 (c), shall be equivalent to the value of such contractual payments at the time the loans were made, in terms of a currency specified for the purpose by the Bank by a three-fourths majority of the total voting power.

(ii) In the case of loans made under Section 1 (a) (ii) of this Article, the total amount outstanding and payable to the Bank in any one currency shall at no time exceed the total amount of the outstanding borrowings made by the Bank under Section 1 (a) (ii) and payable in the same currency.

(c) If a member suffers from an acute exchange stringency, so that the service of any loan contracted by that member or guaranteed by it or by one of its agencies cannot be provided in the stipulated manner, the member concerned may appeal to the Bank for a relaxation of the conditions of payment. If the Bank is satisfied that some relaxation is in the interests of the particular member and of the operations of the Bank and of its members as a whole, it may take action under either, or both, of the following paragraphs with respect to the whole, or part, of the annual service:

(i) The Bank may, in its discretion, make arrangements with the member concerned to accept service payments on the loan in the member's currency for periods not to exceed three years upon appropriate terms regarding the use of such currency and the maintenance of its foreign exchange value; and for the repurchase of such currency on appropriate terms.

(ii) The Bank may modify the terms of amortization or extend the life of the loan, or both.

Section 5. *Guarantees.*

(a) In guaranteeing a loan placed through the usual investment channels, the Bank shall charge a guarantee commission payable periodically on the amount of the loan outstanding at a rate determined by the Bank. During the first ten years of the Bank's operations, this rate shall be not less than one per cent. per annum and not greater than one and one-half per cent. per annum. At the end of this period of ten years, the rate of commission may be reduced by the Bank with respect both to the outstanding portions of loans already guaranteed and to future loans if the reserves accumulated by the Bank under Section 6 of this Article and out of other earnings are considered by it sufficient to justify a reduction. In the case of future loans the Bank

shall also have discretion to increase the rate of commission beyond the above limit, if experience indicates that an increase is advisable.

(b) Guarantee commissions shall be paid directly to the Bank by the borrower.

(c) Guarantees by the Bank shall provide that the Bank may terminate its liability with respect to interest if, upon default by the borrower and by the guarantor, if any, the Bank offers to purchase, at par and interest accrued to a date designated in the offer, the bonds or other obligations guaranteed.

(d) The Bank shall have power to determine any other terms and conditions of the guarantee.

Section 6. *Special Reserve.*

The amount of commissions received by the Bank under Sections 4 and 5 of this Article shall be set aside as a special reserve, which shall be used only for meeting liabilities of the Bank in accordance with Section 7 of this Article. The special reserve shall be held in such liquid form, permitted under this Agreement, as the Executive Directors may decide.

Section 7. *Methods of meeting liabilities of the Bank in case of defaults.*

In cases of default on loans made, participated in, or guaranteed by the Bank:

(a) The Bank shall make such arrangements as may be feasible to adjust the obligations under the loans, including arrangements under or analogous to those provided in Section 4 (c) of this Article.

(b) The payments in discharge of the Bank's liabilities on borrowings or guarantees under Section 1(a) (ii) and (iii) of this Article shall be charged:

(i) first, against the special reserve provided in Section 6 of this Article;

(ii) then, to the extent necessary and at the discretion of the Bank, against the other reserves, surplus and capital available to the Bank.

(c) Whenever necessary to meet contractual payments of interest, other charges or amortization on the Bank's own borrowings, or to meet the Bank's liabilities with respect to similar payments on loans guaranteed by the Bank, the Bank may call an appropriate amount of the unpaid subscriptions of members in accordance with Article II, Sections 5 and 7. Moreover, if it believes that a default may be of long duration, the Bank may call an additional amount of such unpaid subscriptions not to exceed in any one year one per cent. of the total subscriptions of the members for the following purposes:

(i) To redeem prior to maturity or otherwise discharge its liability on all or part of the outstanding principal of any loan guaranteed by it in respect of which the debtor is in default;

(ii) To purchase or otherwise discharge its liability on all or part of its own outstanding borrowings.

Section 8. *Miscellaneous operations.*

In addition to the operations specified elsewhere in this Agreement, the Bank shall have the power:

(i) To buy and sell securities it has issued and to buy and sell securities which it has guaranteed or in which it has invested, provided that the Bank shall obtain the approval of the member in whose territories the securities are to be bought or sold.

(ii) To guarantee securities in which it has invested for the purpose of facilitating their sale.

(iii) To borrow the currency of any member with the approval of that member.

(iv) To buy and sell such other securities as the Directors by a three-fourths majority of the total voting power may deem proper for the investment of all or part of the special reserve under Section 6 of the Article.

In exercising the powers conferred by this Section, the Bank may deal with any person, partnership, association, corporation or other legal entity in the territories of any member.

Section 9. *Warning to be placed on securities.*

Every security guaranteed or issued by the Bank shall bear on its face a conspicuous statement to the effect that it is not an obligation of any government unless expressly stated on the security.

Section 10. *Political activity prohibited.*

The Bank and its officers shall not interfere in the political affairs of any member; nor shall they be influenced in their decisions by the political character of the member or members concerned. Only economic considerations shall be relevant to their decisions, and these considerations shall be weighed impartially in order to achieve the purposes stated in Article I.

## Article V—Organization and Management.

Section 1. *Structure of the Bank.*

The Bank shall have a Board of Governors, Executive Directors, a President and such other officers and staff to perform such duties as the Bank may determine.

Section 2. *Board of Governors.*

(a) All the powers of the Bank shall be vested in the Board of Governors consisting of one governor and one alternate appointed by each member in such manner as it may determine. Each governor and each alternate shall serve for five years, subject to the pleasure of the member appointing him, and may be reappointed. No alternate may vote except in the absence of his principal. The Board shall select one of the governors as Chairman.

(b) The Board of Governors may delegate to the Executive Directors authority to exercise any powers of the Board, except the power to:

(i) Admit new members and determine the conditions of their admission;

(ii) Increase or decrease the capital stock;

(iii) Suspend a member;

(iv) Decide appeals from interpretation of this Agreement given by the Executive Directors;

(v) Make arrangements to co-operate with other international organizations (other than informal arrangements of a temporary and administrative character);

(vi) Decide to suspend permanently the operations of the Bank and to distribute its assets;

(vii) Determine the distribution of the net income of the Bank.

(c) The Board of Governors shall hold an annual meeting and such other meetings as may be provided for by the Board or called by the Executive Directors. Meetings of the Board shall be called by the Directors whenever requested by five members or by members having one-quarter of the total voting power.

(d) A quorum for any meeting of the Board of Governors shall be a majority of the Governors, exercising not less than two-thirds of the total voting power.

(e) The Board of Governors may by regulation establish a procedure whereby the Executive Directors, when they deem such action to be in the best interests of the Bank, may obtain a vote of the Governors on a specific question without calling a meeting of the Board.

(f) The Board of Governors, and the Executive Directors to the extent authorized, may adopt such rules and regulations as may be necessary or appropriate to conduct the business of the Bank.

(g) Governors and alternates shall serve as such without compensation from the Bank, but the Bank shall pay them reasonable expenses incurred in attending meetings.

(h) The Board of Governors shall determine the remuneration to be paid to the Executive Directors and the salary and terms of the contract of service of the President.

Section 3. *Voting.*

(a) Each member shall have two hundred and fifty votes plus one additional vote for each share of stock held.

(b) Except as otherwise specifically provided, all matters before the Bank shall be decided by a majority of the votes cast.

Section 4. *Executive Directors.*

(a) The Executive Directors shall be responsible for the conduct of the general operations of the Bank, and for this purpose shall exercise all the powers delegated to them by the Board of Governors.

(b) There shall be twelve Executive Directors, who need not be governors, and of whom;

(i) five shall be appointed, one by each of the five members having the largest number of shares;

(ii) seven shall be elected according to Schedule B by all the Governors other than those appointed by the five members referred to in (i) above.

For the purpose of this paragraph, "members" means governments of countries whose names are set forth in Schedule A, whether they are original members or become members in accordance with Article II, Section 1 (b). When governments of other countries become members, the Board of Governors may, by a four-fifths majority of the total voting power, increase the total number of Directors by increasing the number of Directors to be elected.

Executive Directors shall be appointed or elected every two years.

(c) Each Executive Director shall appoint an alternate with full power to act for him when he is not present. When the Executive Directors appointing them are present, alternates may participate in meetings but shall not vote.

(d) Directors shall continue in office until their successors are appointed or elected. If the office of an elected director becomes vacant more than ninety days before the end of his term, another director shall be elected for the remainder of the term by the Governors who elected the former director. A majority of the votes cast shall be required for election. While the office remains vacant, the alternate of the former director shall exercise his powers, except that of appointing an alternate.

(e) The Executive Directors shall function in continuous session at the principal office of the Bank and shall meet as often as the business of the Bank may require.

(f) A quorum for any meeting of the Executive Directors shall be a majority of the Directors, exercising not less than one-half of the total voting power.

(g) Each appointed Director shall be entitled to cast the number of votes allotted under Section 3 of this Article to the member appointing him. Each elected Director shall be entitled to cast the number of votes which counted toward his election. All the votes which a Director is entitled to cast shall be cast as a unit.

(h) The Board of Governors shall adopt regulations under which a member not entitled to appoint a Director under (*b*) above may send a representative to attend any meeting of the Executive Directors when a request made by, or a matter particularly affecting, that member is under consideration.

(i) The Executive Directors may appoint such committees as they deem advisable. Membership of such committees need not be limited to Governors or Directors or their alternates.

Section 5. *President and Staff.*

(a) The Executive Directors shall select a President who shall not be a Governor or an Executive Director or an alternate for either. The President shall be Chairman of the Executive Directors, but shall have no vote except a deciding vote in case of an equal division. He may participate in meetings of the Board of Governors, but shall not vote at such meetings. The President shall cease to hold office when the Executive Directors so decide.

(b) The President shall be chief of the operating staff of the Bank and shall conduct, under the direction of the Executive Directors, the ordinary business of the Bank. Subject to the general control of the Executive Directors, he shall be responsible for the organization, appointment and dismissal of the officers and staff.

(c) The President, officers and staff of the Bank, in the discharge of their offices, owe their duty entirely to the Bank and to no other authority. Each member of the Bank shall respect the international character of this duty and shall refrain from all attempts to influence any of them in the discharge of their duties.

(d) In appointing the officers and staff the President shall, subject to the paramount importance of securing the highest standards of efficiency and of technical competence, pay due regard to the importance of recruiting personnel on as wide a geographical basis as possible.

Section 6. *Advisory Council.*

(a) There shall be an Advisory Council of not less than seven persons selected by the Board of Governors including representatives of banking, commercial, industrial, labour, and agricultural interests, and with as wide a national representation as possible. In those fields where specialized international organizations exist, the members of the Council representative of those fields shall be selected in agreement with such organizations. The Council shall advise the Bank on matters of general policy. The Council shall meet annually and on such other occasions as the Bank may request.

(b) Councillors shall serve for two years and may be reappointed. They shall be paid their reasonable expenses incurred on behalf of the Bank.

Section 7. *Loan Committees.*

The committees required to report on loans under Article III, Section 4, shall be appointed by the Bank. Each such committee shall include an expert selected by the Governor representing the member in whose territories the project is located and one or more members of the technical staff of the Bank.

Section 8. *Relationship to other international organizations.*

(a) The Bank, within the terms of this Agreement, shall co-operate with any general international organization and with public international organizations having specialized responsibilities in related fields. Any arrangements for such co-operation which would involve a modification of any provision of this Agreement may be effected only after amendment to this Agreement under Article VIII.

(b) In making decisions on applications for loans or guarantees relating to matters directly within the competence of any international organization of the types specified in the preceding paragraph and participated in primarily by members of the Bank, the Bank shall give consideration to the views and recommendations of such organization.

Section 9. *Location of offices.*

(a) The principal office of the Bank shall be located in the territory of the member holding the greatest number of shares.

(b) The Bank may establish agencies or branch offices in the territories of any member of the Bank.

Section 10. *Regional offices and councils.*

(a) The Bank may establish regional offices and determine the location of, and the areas to be covered by, each regional office.

(b) Each regional office shall be advised by a regional council representative of the entire area and selected in such manner as the Bank may decide.

Section 11. *Depositories.*

(a) Each member shall designate its central bank as a depository for all the Bank's holdings of its currency or, if it has no central bank, it shall designate such other institution as may be acceptable to the Bank.

(b) The Bank may hold other assets, including gold, in depositories designated by the five members having the largest number of shares and in such other designated depositories as the Bank may select. Initially, at least one-half of the gold holdings of the Bank shall be held in the depository designated by the member in whose territory the Bank has its principal office, and at least forty per cent. shall be held in the depositories designated by the remaining four members referred to above, each of such depositories to hold, initially, not less than the amount of gold paid on the shares of the member designating it. However, all transfers of gold by the Bank shall be made with due regard to the costs of transport and anticipated requirements of the Bank. In an emergency the Executive Directors may transfer all or any part of the Bank's gold holdings to any place where they can be adequately protected.

Section 12. *Form of holdings of currency.*

The Bank shall accept from any member, in place of any part of the member's currency, paid in to the Bank under Article II, Section 7 (i), or to meet amortization payments on loans made with such currency, and not needed by the Bank in its operations, notes or similar obligations issued by the Government of the member or the depository designated by such member, which shall be non-negotiable, non-interest-bearing and payable at their par value on demand by credit to the account of the Bank in the designated depository.

Section 13. *Publication of reports and provision of information.*

(a) The Bank shall publish an annual report containing an audited statement of its accounts and shall circulate to members at intervals of three months or less a summary statement of its financial position and a profit and loss statement showing the results of its operations.

(b) The Bank may publish such other reports as it deems desirable to carry out its purposes.

(c) Copies of all reports, statements and publications made under this section shall be distributed to members.

Section 14. *Allocation of net income.*

(a) The Board of Governors shall determine annually what part of the Bank's net income, after making provision for reserves, shall be allocated to surplus and what part, if any, shall be distributed.

(b) If any part is distributed, up to two per cent. non-cumulative shall be paid, as a first charge against the distribution for any year, to each member on the basis of the average amount of the loans outstanding during the year made under Article IV, Section 1 (a) (i), out of currency corresponding to its subscription. If two per cent. is paid as a first charge, any balance remaining to be distributed shall be paid to all members in proportion to their shares. Payments to each member shall be made in its own currency, or if that currency is not available in other currency acceptable to the member. If such payments are made in currencies other than the member's own currency, the transfer of the currency and its use by the receiving member after payment shall be without restriction by the members.

## Article VI—Withdrawal and Suspension of Membership: Suspension of Operations.

Section 1. *Right of members to withdraw.*

Any member may withdraw from the Bank at any time by transmitting a notice in writing to the Bank at its principal office. Withdrawal shall become effective on the date such notice is received.

Section 2. *Suspension of membership.*

If a member fails to fulfil any of its obligations to the Bank, the Bank may suspend its membership by decision of a majority of the Governors, exercising a majority of the total voting power. The member so suspended shall automatically cease to be a member one year from the date of its suspension unless a decision is taken by the same majority to restore the member to good standing.

While under suspension, a member shall not be entitled to exercise any rights under this Agreement, except the right of withdrawal, but shall remain subject to all obligations.

Section 3. *Cessation of membership in International Monetary Fund.*

Any member which ceases to be a member of the International Monetary Fund shall automatically cease after three months to be a member of the Bank unless the Bank by three-fourths of the total voting power has agreed to allow it to remain a member.

Section 4. *Settlement of accounts with governments ceasing to be members.*

(a) When a government ceases to be a member, it shall remain liable for its direct obligations to the Bank and for its contingent liabilities to the Bank so long as any part of the loans or guarantees contracted before it ceased to be a member are outstanding; but it shall cease

to incur liabilities with respect to loans and guarantees entered into thereafter by the Bank and to share either in the income or the expenses of the Bank.

(b) At the time a government ceases to be a member, the Bank shall arrange for the repurchase of its shares as a part of the settlement of accounts with such government in accordance with the provisions of paragraphs (c) and (d) below. For this purpose the repurchase price of the shares shall be the value shown by the books of the Bank on the day the government ceases to be a member.

(c) The payment for shares repurchased by the Bank under this section shall be governed by the following conditions:

(i) Any amount due to the government for its share shall be withheld so long as the government, its central bank or any of its agencies remains liable, as borrower or guarantor, to the Bank and such amount may, at the option of the Bank, be applied on any such liability as it matures. No amount shall be withheld on account of the liability of the government resulting from its subscription for shares under Article II, Section 5 (ii). In any event, no amount due to a member for its shares shall be paid until six months after the date upon which the government ceases to be a member;

(ii) Payments for shares may be made from time to time, upon their surrender by the government, to the extent by which the amount due as the repurchase price in (b) above exceeds the aggregate of liabilities on loans and guarantees in (c) (i) above until the former member has received the full repurchase price;

(iii) Payments shall be made in the currency of the country receiving payment or at the option of the Bank in gold;

(iv) If losses are sustained by the Bank on any guarantees, participations in loans, or loans which were outstanding on the date when the government ceased to be a member, and the amount of such losses exceeds the amount of the reserve provided against losses on the date when the government ceased to be a member, such government shall be obligated to repay upon demand the amount by which the repurchase price of its shares would have been reduced, if the losses had been taken into account when the purchase price was determined. In addition, the former member government shall remain liable on any call for unpaid subscriptions under Article II, Section 5 (ii) to the extent that it would have been required to respond if the impairment of capital had occurred and the call had been made at the time the repurchase price of its shares was determined.

(d) If the Bank suspends permanently its operations under Section 5 (b) of this Article, within six months of the date upon which any government ceases to be a member, all rights of such government shall be determined by the provisions of Section 5 of this Article.

Section 5. *Suspension of operations and settlement of obligations.*

(a) In an emergency the Executive Directors may suspend temporarily operations in respect of new loans and guarantees pending an

opportunity for further consideration and action by the Board of Governors.

(b) The Bank may suspend permanently its operations in respect of new loans and guarantees by vote of a majority of the Governors, exercising a majority of the total voting power. After such suspension of operations the Bank shall forthwith cease all activities, except those incident to the orderly realization, conservation and preservation of its assets and settlement of its obligations.

(c) The liability of all members for uncalled subscriptions to the capital stock of the Bank and in respect of the depreciation of their own currencies shall continue until all claims of creditors including all contingent claims, shall have been discharged.

(d) All creditors holding direct claims shall be paid out of the assets of the Bank, and then out of payments to the Bank on calls on unpaid subscriptions. Before making any payments to creditors holding direct claims, the Executive Directors shall make such arrangements as are necessary, in their judgment, to insure a distribution to holders of contingent claims ratably with creditors holding direct claims.

(e) No distribution shall be made to members on account of their subscriptions to the capital stock of the Bank until

(i) all liabilities to creditors have been discharged or provided for, and

(ii) a majority of the Governors, exercising a majority of the total voting power, have decided to make a distribution.

(f) After a decision to make a distribution has been taken under (e) above, the Executive Directors may by a two-thirds majority vote make successive distributions of the assets of the Bank to members until all of the assets have been distributed. This distribution shall be subject to the prior settlement of all outstanding claims of the Bank against each member.

(g) Before any distribution of assets is made, the Executive Directors shall fix the proportionate share of each member according to the ratio of its shareholding to the total outstanding shares of the Bank.

(h) The Executive Directors shall value the assets to be distributed as at the date of distribution and then proceed to distribute in the following manner:

(i) There shall be paid to each member in its own obligations or those of its official agencies or legal entities within its territories, in so far as they are available for distribution, an amount equivalent in value to its proportionate share of the total amount to be distributed;

(ii) Any balance due to a member after payment has been made under (i) above shall be paid, in its own currency, in so far as it is held by the Bank, up to an amount equivalent in value to such balance;

(iii) Any balance due to a member after payment has been made under (i) and (ii) above shall be paid, in gold or currency acceptable to the member, in so far as they are held by the Bank, up to an amount equivalent in value to such balance;

(iv) Any remaining assets held by the Bank after payments have been made to members under (i), (ii), and (iii) above shall be distributed *pro rata* among the members.

(*i*) Any member receiving assets distributed by the Bank in accordance with (*h*) above, shall enjoy the same rights with respect to such assets as the Bank enjoyed prior to their distribution.

## Article VII—Status, Immunities and Privileges.

Section 1. *Purposes of Article.*

To enable the Bank to fulfil the functions with which it is entrusted, the status, immunities and privileges set forth in this Article shall be accorded to the Bank in the territories of each member.

Section 2. *Status of the Bank.*

The Bank shall possess full juridical personality, and, in particular, the capacity:

(i) to contract;

(ii) to acquire and dispose of immovable and movable property;

(iii) to institute legal proceedings.

Section 3. *Position of the Bank with regard to judicial process.*

Actions may be brought against the Bank only in a court of competent jurisdiction in the territories of a member in which the Bank has an office, has appointed an agent for the purpose of accepting service or notice of process, or has issued or guaranteed securities. No actions shall, however, be brought by members or persons acting for or deriving claims from members. The property and assets of the Bank shall, wheresoever located and by whomsoever held, be immune from all forms of seizure, attachment or execution before the delivery of final judgment against the Bank.

Section 4. *Immunity of assets from seizure.*

Property and assets of the Bank, wherever located and by whomsoever held, shall be immune from search, requisition, confiscation, expropriation or any other form of seizure by executive or legislative action.

Section 5. *Immunity of archives.*

The archives of the Bank shall be inviolable.

Section 6. *Freedom of assets from restrictions.*

To the extent necessary to carry out the operations provided for in this Agreement and subject to the provisions of this Agreement, all property and assets of the Bank shall be free from restrictions, regulations, controls and moratoria of any nature.

Section 7. *Privilege for communications.*

The official communications of the Bank shall be accorded by each member the same treatment that it accords to the official communications of other members.

Section 8. *Immunities and privileges of officers and employees.*

All governors, executive directors, alternates, officers and employees of the Bank

(i) shall be immune from legal process with respect to acts performed by them in their official capacity except when the Bank waives this immunity;

(ii) not being local nationals, shall be accorded the same immunities from immigration restrictions, alien registration requirements and national service obligations and the same facilities as regards exchange restrictions as are accorded by members to the representatives, officials, and employees of comparable rank of other members;

(iii) shall be granted the same treatment in respect of travelling facilities as is accorded by members to representatives, officials and employees of comparable rank of other members.

Section 9. *Immunities from taxation.*

(*a*) The Bank, its assets, property, income and its operations and transactions authorized by this Agreement, shall be immune from all taxation and from all customs duties. The Bank shall also be immune from liability for the collection or payment of any tax or duty.

(*b*) No tax shall be levied on or in respect of salaries and emoluments paid by the Bank to executive directors, alternates, officials or employees of the Bank who are not local citizens, local subjects, or other local nationals.

(*c*) No taxation of any kind shall be levied on any obligation or security issued by the Bank (including any dividend or interest thereon) by whomsoever held—

(i) which discriminates against such obligation or security solely because it is issued by the Bank; or

(ii) if the sole jurisdictional basis for such taxation is the place or currency in which it is issued, made payable or paid, or the location of any office or place of business maintained by the Bank.

(*d*) No taxation of any kind shall be levied on any obligation or security guaranteed by the Bank (including any dividend or interest thereon) by whomsoever held—

(i) which discriminates against such obligation or security solely because it is guaranteed by the Bank; or

(ii) if the sole jurisdictional basis for such taxation is the location of any office or place of business maintained by the Bank.

Section 10. *Application of Article.*

Each member shall take such action as is necessary in its own territories for the purpose of making effective in terms of its own law the principles set forth in this Article and shall inform the Bank of the detailed action which it has taken.

## Article VIII—Amendments.

(a) Any proposal to introduce modifications in this Agreement, whether emanating from a member, a Governor or the Executive Directors, shall be communicated to the Chairman of the Board of Governors who shall bring the proposal before the Board. If the proposed amendment is approved by the Board the Bank shall, by circular letter or telegram, ask all members whether they accept the proposed amendment. When three-fifths of the members, having four-fifths of the total voting power, have accepted the proposed amendment, the Bank shall certify the fact by a formal communication addressed to all members.

(b) Notwithstanding (a) above, acceptance by all members is required in the case of any amendment modifying (i) the right to withdraw from the Bank provided in Article VI, Section 1; (ii) the right secured by Article II, Section 3 (c); (iii) the limitation on liability provided in Article II, Section 6.

(c) Amendments shall enter into force for all members three months after the date of the formal communication unless a shorter period is specified in the circular letter or telegram.

## Article IX—Interpretation

(a) Any question of interpretation of the provisions of this Agreement arising between any member and the Bank or between any members of the Bank shall be submitted to the Executive Directors for their decision. If the question particularly affects any member not entitled to appoint an Executive Director, it shall be entitled to representation in accordance with Article V, Section 4 (h).

(b) In any case where the Executive Directors have given a decision under (a) above, any member may require that the question be referred to the Board of Governors, whose decision shall be final. Pending the result of the reference to the Board, the Bank may so far as it deems necessary, act on the basis of the decision of the Executive Directors.

(c) Whenever a disagreement arises between the Bank and a country which has ceased to be a member, or between the Bank and any member during the permanent suspension of the Bank, such disagreement shall be submitted to arbitration by a tribunal of three arbitrators, one appointed by the Bank, another by the country involved and an umpire who, unless the parties otherwise agree, shall be appointed by the President of the Permanent Court of International Justice or such other authority as may have been prescribed by regulation adopted by the Bank. The umpire shall have full power to settle all questions of procedure in any case where the parties are in disagreement with respect thereto.

## Article X—Approval Deemed Given

Whenever the approval of any member is required before any act may be done by the Bank, except in Article VIII, approval shall be deemed to have been given unless the member presents an objection within such reasonable period as the Bank may fix in notifying the member of the proposed act.

## Article XI—Final Provisions.

Section 1. *Entry into force.*

This Agreement shall enter into force when it has been signed on behalf of governments whose minimum subscriptions comprise not less than 65 per cent. of the total subscriptions set forth in Schedule A and when the instruments referred to in Section 2 (a) of this Article have been deposited on their behalf, but in no event shall this Agreement enter into force before May 1, 1945.

Section 2. *Signature.*

(a) Each government on whose behalf this Agreement is signed shall deposit with the Government of the United States of America an instrument setting forth that it has accepted this Agreement in accordance with its law and has taken all steps necessary to enable it to carry out all of its obligations under this Agreement.

(b) Each government shall become a member of the Bank as from the date of the deposit on its behalf of the instrument referred to in (a) above, except that no government shall become a member before this Agreement enters into force under Section 1 of this Article.

(c) The Government of the United States of America shall inform the governments of all countries whose names are set forth in Schedule A, and all governments whose membership is approved in accordance with Article II, Section 1 (b), of all signatures of this Agreement and of the deposit of all instruments referred to in (a) above.

(d) At the time this Agreement is signed on its behalf, each government shall transmit to the Government of the United States of America one one-hundredth of one per cent. of the price of each share in gold or United States dollars for the purpose of meeting administrative expenses of the Bank. This payment shall be credited on account of the payment to be made in accordance with Article II, Section 8 (a). The Government of the United States of America shall hold such funds in a special deposit account and shall transmit them to the Board of Governors of the Bank when the initial meeting has been called under Section 3 of this Article. If this Agreement has not come into force by December 31, 1945, the Government of the United States of America shall return such funds to the governments that transmitted them.

(e) This Agreement shall remain open for signature at Washington on behalf of the governments of the countries whose names are set forth in Schedule A until December 31, 1945.

(f) After December 31, 1945, this Agreement shall be open for signature on behalf of the government of any country whose membership has been approved in accordance with Article II, Section 1(b).

(g) By their signature of this Agreement, all governments accept it both on their own behalf and in respect of all their colonies, overseas territories, all territories under their protection, suzerainty, or authority and all territories in respect of which they exercise a mandate.

(h) In the case of governments whose metropolitan territories have been under enemy occupation, the deposit of the instrument referred to in (a) above may be delayed until one hundred and eighty days after the date on which these territories have been liberated. If, however, it is not deposited by any such government before the expiration of this period, the signature affixed on behalf of that government shall become void and the portion of its subscription paid under (d) above shall be returned to it.

(i) Paragraphs (d) and (h) shall come into force with regard to each signatory government as from the date of its signature.

Section 3. *Inauguration of the Bank.*

(a) As soon as this Agreement enters into force under Section 1 of this Article, each member shall appoint a governor and the member to whom the largest number of shares is allocated in Schedule A shall call the first meeting of the Board of Governors.

(b) At the first meeting of the Board of Governors, arrangements shall be made for the selection of provisional Executive Directors. The governments of the five countries, to which the largest number of shares are allocated in Schedule A, shall appoint provisional Executive Directors. If one or more of such governments have not become members, the executive directorships which they would be entitled to fill shall remain vacant until they become members, or until January 1, 1946, whichever is the earlier. Seven provisional Executive Directors shall be elected in accordance with the provision of Schedule B and shall remain in office until the date of the first regular election of Executive Directors which shall be held as soon as practicable after January 1, 1946.

(c) The Board of Governors may delegate to the provisional Executive Directors any powers except those which may not be delegated to the Executive Directors.

(d) The Bank shall notify members when it is ready to commence operations.

DONE at Washington, in a single copy which shall remain deposited in the archives of the Government of the United States of America which shall transmit certified copies to all governments whose names are set forth in Schedule A and to all governments whose membership is approved in accordance with Article II, Section 1 (b).

## SCHEDULE A.

| Subscriptions - | (millions of dollars) |
|---|---|
| Australia | 200 |
| Belgium | 225 |
| Bolivia | 7 |
| Brazil | 105 |
| Canada | 325 |
| Chile | 35 |
| China | 600 |
| Colombia | 35 |
| Costa Rica | 2 |
| Cuba | 35 |
| Czechoslovakia | 125 |
| *Denmark | — |
| Dominican Republic | 2 |
| Ecuador | 3·2 |
| Egypt | 40 |
| El Salvador | 1 |
| Ethiopia | 3 |
| France | 450 |
| Greece | 25 |
| Guatemala | 2 |
| Haiti | 2 |
| Honduras | 1 |
| Iceland | 1 |
| India | 400 |
| Iran | 24 |
| Iraq | 6 |
| Liberia | ·5 |
| Luxembourg | 10 |
| Mexico | 65 |
| Netherlands | 275 |
| New Zealand | 50 |
| Nicaragua | ·8 |
| Norway | 50 |
| Panama | ·2 |
| Paraguay | ·8 |
| Peru | 17·5 |
| Philippine Commonwealth | 15 |
| Poland | 125 |
| Union of South Africa | 100 |
| Union of Soviet Socialist Republics | 1,200 |
| United Kingdom | 1,300 |
| United States | 3,175 |
| Uruguay | 10·5 |
| Venezuela | 10·5 |
| Yugoslavia | 40 |
| Total | 9,100 |

* The quota of Denmark shall be determined by the Bank after Denmark accepts membership in accordance with these Articles of Agreement.

## SCHEDULE B.

### Election of Executive Directors.

1. The election of the elective Executive Directors shall be by ballot of the Governors eligible to vote under Article V, Section 4 (*b*).

2. In balloting for the elective Executive Directors, each Governor eligible to vote shall cast for one person all of the votes to which the member appointing him is entitled under Section 3 of Article V. The seven persons receiving the greatest number of votes shall be Executive Directors, except that no person who receives less than fourteen per cent. of the total of the votes which can be cast (eligible votes) shall be considered elected.

3. When seven persons are not elected on the first ballot, a second ballot shall be held in which the person who received the lowest number of votes shall be ineligible for election and in which there shall vote only (*a*) those Governors who voted in the first ballot for a

SCHEDULE B—*Conc.*

person not elected and (*b*) those Governors whose votes for a person elected are deemed under 4 below to have raised the votes cast for that person above fifteen per cent. of the eligible votes.

4. In determining whether the votes cast by a Governor are to be deemed to have raised the total of any person above fifteen per cent. of the eligible votes, the fifteen per cent. shall be deemed to include, first, the votes of the Governor casting the largest number of votes for such person, then the votes of the Governor casting the next largest number, and so on until fifteen per cent. is reached.

5. Any Governor, part of whose votes must be counted in order to raise the total of any person above fourteen per cent., shall be considered as casting all of his votes for such person even if the total votes for such person thereby exceed fifteen per cent.

6. If, after the second ballot, seven persons have not been elected, further ballots shall be held on the same principles until seven persons have been elected, provided that after six persons are elected, the seventh may be elected by a simple majority of the remaining votes and shall be deemed to have been elected by all such votes.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 239.

An Act to amend The National Housing Act, 1944.

First reading, December 11, 1945.

THE MINISTER OF FINANCE.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

45864

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA

# BILL 239.

An Act to amend The National Housing Act, 1944.

1944-45, c. 46.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section two of *The National Housing Act, 1944*, chapter forty-six of the statutes of 1944-45, is amended by adding thereto after paragraph five the following paragraph as paragraph five A:—

"co-operative housing project."

"(5A) 'co-operative housing project' means a housing project built by a corporation or trustee in which not less than seventy-five per centum of the family housing units in a housing project are leased to shareholders in the corporation or *cestui que trust* under the trust deed for a term at least as long as the term of the joint loan;"

**2.** Paragraph six of section two of the said Act is repealed and the following substituted therefor:—

"cost of construction."

"(6) 'cost of construction' means the aggregate of the cost or appraised value of the land, whichever is the lesser, actual expenditure for building, and the architectural, legal and other expenses and carrying charges necessary to complete the house or housing project, including in the case where work is done by the owner, such amount as the Minister may fix as the value of the said work, and in the case where a loan is made to a builder, land development costs and carrying charges: provided that in the case of land acquired by gift or devise, the appraised value of the said land shall be taken: provided, further, that in the case of a loan for the construction of a house on a farm the appraised value of the land shall be deemed to be not more than twenty per centum of the actual expenditure and other expenses and charges aforesaid;"

Proviso

Proviso.

## Explanatory Notes.

**1.** Paragraph 5A of Section 2 is new.

This amendment has the effect of permitting the owners of a co-operative housing project to lease not more than 25 per cent. of the housing units in a project to non-members.

**2.** The words "and carrying charges" have been added to make it clear that carrying charges may be included as part of the cost of construction.

A proviso has also been added to limit the lending value in the case of farm houses to the cost of construction and a reasonable allowance for land.

**3.** Paragraph twenty of section two of the said Act is repealed and the following substituted therefor:—

"(20) 'housing project' means a project consisting of one or more one-family dwellings, or one or more multiple-family dwellings or a combination of one-family and multiple-family dwellings, together with any public space, recreational facilities and commercial space or buildings appropriate thereto;"

**4.** Paragraph twenty-four of section two of the said Act is repealed and the following substituted therefor:—

"limited-dividend housing corporation."

"(24) "limited-dividend housing corporation" means a corporation incorporated to construct, hold and manage a low-rental housing project and the dividends payable by which are limited by the terms of its charter or instrument of incorporation to five per centum per annum or less, and includes:

(i) an institutional housing corporation incorporated to construct, hold and manage a low-rental housing project and the dividends payable by which are limited by the terms of its charter or instrument of incorporation to five per centum per annum or less, and

(ii) an institutional holding company incorporated for the purpose of holding only the shares of one or more such institutional housing corporations;"

**5.** Paragraph twenty-five of section two of the said Act is repealed and the following substituted therefor:—

"low-rental housing project."

"(25) "low-rental housing project" means a housing project undertaken to provide decent, safe and sanitary housing accommodation complying with standards not exceeding those approved by the Minister, to be leased to families of low income at the economic rental therefor or at a lower rental or to such other persons as the Minister under agreement with the owner may designate, having regard to the existence of a condition of shortage, overcrowding or congestion of housing;"

"Minister" defined.

**6.** Paragraph twenty-seven of section two of the said Act is amended by inserting the words "or any person designated by law to act on his behalf or in his place" after the words "the Minister of Finance" where they appear in line one thereof.

**7.** Paragraph twenty-nine of section two of the said Act is repealed and the following substituted therefor:—

"municipality."

"(29) "municipality" means a city, town, incorporated village, county, township, district or rural municipality;"

**3.** The only change here is the replacement of the word "two" by "one". This change will enable a rental project to consist of one house and is inserted mainly in order that churches may build rectories or manses and schools may build houses for teachers.

**4.** Subparagraphs (i) and (ii) are new. The purpose of this amendment is to expand the definition of limited dividend housing corporations to include institutional housing corporations which are comparably restricted and institutional holding companies which hold the shares of such institutional housing corporations.

**5.** The addition of the underlined words enables the Minister to determine that standards of housing accommodation fixed by him will not be exceeded and will permit the housing accommodation in low rental housing projects to be leased to families other than those of low income under emergency conditions, *e.g.*, to veterans' families.

**6.** This is simply an amplification of the definition of "Minister" in paragraph (27) of section two, to recognize the Central Mortgage and Housing Corporation wherever the Corporation is authorized by statute to act on behalf of the Minister or in his place.

**7.** The definition of "municipality" is extended to include counties, townships, districts or rural municipalities.

**8.** Section two of the said Act is further amended by adding thereto the following paragraphs:—

"institutional holding company."

"(35) 'institutional holding company' means a corporation with share capital

(i) incorporated for the purpose of holding only the shares of one or more institutional housing corporations;

(ii) which has power to issue debentures bearing interest at a rate not in excess of five per centum per annum; and

(iii) the shares of which are, with the exception of directors' qualifying shares, wholly owned by one or more life insurance companies or by one or more approved lending institutions designated by the Governor in Council under subsection five of section eleven of this Act;

"institutional housing corporation."

"(36) 'institutional housing corporation' means a corporation with share capital

(i) empowered to borrow money and to purchase land and construct thereon a low cost or moderate cost rental housing project, including such buildings or such accommodation for retail stores, shops, offices, and other community services, but not including hotels, as the company may deem proper and suitable for the convenience of the tenants of such rental housing project, and thereafter to hold, maintain, repair, alter, demolish, reconstruct, manage, collect or receive income from, sell or convey, in whole or in part, land so acquired and the improvements thereon; and

(ii) the shares of which are, with the exception of directors' qualifying shares, wholly owned by one or more life insurance companies or by one or more approved lending institutions designated by the Governor in Council under subsection five of section eleven of this Act or by an institutional holding company."

**9.** Paragraph *(e)* of subsection two of section four of the said Act is repealed and the following substituted therefor:—

Terms of contract.

"*(e)* the rate of interest payable by the borrower in respect of a joint loan shall not exceed a rate of four and one-half per centum per annum calculated semi-annually and no other charge in respect of the said loan shall be payable by the borrower except as may be authorized by regulation;"

**8.** An institutional holding company is recognized in the new paragraph (35), for the purpose of enabling a number of life insurance companies or other approved lending institutions to hold jointly the stock in a number of institutional housing corporations and to permit the financing of such an organization to be handled through the medium of debentures rather than stock.

An institutional housing corporation is recognized. in the new paragraph (36), as a wholly owned subsidiary of one or more institutions authorized to operate under section 11 of the Act. The powers of an institutional housing corporation are the same as those granted to institutions operating directly under section 11 of the Act together with the specific power to borrow money.

**9.** Paragraph *(e)* of subsection two of section four is amended by substituting the words "a rate", underlined on the opposite page, for the words "an effective rate". This is done to clarify the intended meaning.

**10.** Paragraph *(l)* of subsection two of section four of the said Act is repealed and the following substituted therefor:—

Joint loan losses.

"*(l)* losses sustained as a result of joint loans shall be shared by His Majesty and the lending institution in the proportions of the shares of His Majesty and the lending institution in the said joint loans and that in addition His Majesty shall be liable to pay to the lending institution such amount of the losses of the lending institution sustained as a result of joint loans within any class of joint loans established by agreement, as may be agreed upon, not exceeding, however, fifteen per centum of the aggregate amount of the share of the lending institution in all joint loans within the said class, each said class to be based on the ratio of the joint loans to the lending values or on the location of the projects or on both; and"

**11.** Paragraph *(d)* of subsection two of section eight of the said Act is repealed and the following substituted therefor:—

Terms of contract.

"*(d)* the rate of interest payable by the borrower in respect of a joint loan shall not exceed a rate of four and one-half per centum per annum calculated semi-annually and no other charge in respect of the loan shall be payable by the borrower except as may be authorized by regulation;"

**12.** Paragraph *(k)* of subsection two of section eight of the said Act is repealed and the following substituted therefor:—

Joint loan losses.

"*(k)* losses sustained as a result of joint loans shall be shared by His Majesty and the lending institution in the proportions of the shares of His Majesty and the lending institution in the said joint loans and that in addition His Majesty shall be liable to pay to the

**10.** Paragraph *(l)* of subsection two of section four at present reads as follows:—

"*(l)* losses sustained in respect of joint loans shall be shared by His Majesty and the lending institution in accordance with regulations to be made by the Governor in Council, and that the said regulations may establish classes of loans based on the ratios of the joint loans to the lending value or on the location of the houses or both or otherwise as prescribed therein, and that the maximum amount of the loss to be borne by His Majesty in respect of any such class shall not exceed fifteen per centum of the aggregate amount of the share of the lending institution in all joint loans within the class; and"

The new paragraph *(l)* provides for the establishment of pools from which payments may be made in respect of losses incurred by lending institutions as a result of joint home owners loans.

**11.** See note opposite section nine.

**12.** Paragraph *(k)* of subsection two of section eight at present reads as follows:—

"*(k)* losses sustained in respect of joint loans shall be shared by His Majesty and the lending institution in accordance with regulations to be made by the Governor in Council and that the said regulations may establish classes of loans based on the ratios of the joint loans to the lending values or on the location of the projects or on both or otherwise as prescribed therein and that the maximum amount of the loss to be borne by His Majesty in respect of any such class shall not exceed fifteen per centum of the aggregate amount of the share of the said lending institution in all joint loans within the class; and"

The new paragraph *(k)* provides for establishment of pools from which payment may be made in respect of losses of lending institutions in the case of joint loans for rental housing projects.

lending institution such amount of the losses of the lending institution sustained as a result of joint loans within any class of joint loans established by agreement, as may be agreed upon, not exceeding, however, fifteen per centum of the aggregate amount of the share of the lending institution in all joint loans within the said class, each said class to be based on the ratio of the joint loans to the lending values or on the location of the projects or on both; and"

**13.** Section eight of the said Act is further amended by adding thereto the following subsection:—

Application of contract.

"(3) The Minister may join with two or more approved lending institutions, with each of which he has entered into a contract under this section, in the making of a joint loan and in such case the said contract shall *mutatis mutandis* apply as if the said lending institutions were one institution."

**14.** Paragraph *(g)* of subsection four of section nine of the said Act is repealed and the following substituted therefor:—

Terms of contract.

"*(g)* the project or any part thereof shall not be sold or otherwise disposed of without the approval of the Minister and, if sold or disposed of with the said approval, shall be sold or disposed of in such a manner that the shareholders shall not receive more than the return of their investment and the limited dividends, and the surplus of the proceeds of the sale or disposal shall be paid to such person or expended in such manner as is provided in the contract or as the Minister may direct; and"

**15.** Section nine of the said Act is further amended by adding thereto the following subsection:—

Further provisions of contract.

"(5) A contract with a limited-dividend housing corporation entered into under this section may also provide

*(a)* that the Minister shall have the right to designate persons other than families of low incomes to whom housing accommodation provided by the project may be leased; and

*(b)* for such other measures to be taken by the Minister and the corporation as the Minister may deem necessary or desirable to give effect to the purposes or provisions of this Act."

**13.** This is a provision to enable lending institutions to act jointly in making loans on rental housing projects.

**14.** The addition of the words "or any part thereof" is made in order that a limited dividend housing corporation may dispose of part of a project. The Minister, before giving his consent, would have the right to specify the amount of the mortgage which should be repaid out of the proceeds of the sale.

**15.** Paragraph *(a)* of the new subsection (5) of section nine is designed to enable the Minister to suspend the restriction of housing accommodation to families of low income, in the case of low rental housing projects and to permit such accommodation to be rented to other designated classes, e.g., to veterans' families.

Paragraph *(b)* is designed to enable the Minister to agree to other restrictions which may be deemed necessary or desirable in the case of such projects.

**16.** Section eleven of the said Act is amended by adding thereto immediately after subsection one the following subsection:—

Life insurance companies may form institutional holding company or housing corporation.

"(1A) Notwithstanding any restrictions or limitations on its powers contained in any other statute or law, any life insurance company subject to the jurisdiction of Parliament may cause to be formed:

*(a)* an institutional holding company, or

*(b)* an institutional housing corporation

and may invest its funds in shares or debentures of the said company or in shares of the said corporation to an aggregate amount, which, when added to the aggregate amount invested by the said life insurance company under subsection one of this section does not exceed five per centum of its total assets in Canada allowed by the Superintendent of Insurance under section seventy-three of *The Canadian and British Insurance Companies Act, 1932*."

1932, c. 46.

**17.** (1) The first three lines of subsection two of section eleven of the said Act are repealed and the following substituted therefor:—

Conditions of investments.

"(2) The conditions under which an investment referred to in subsection one of this section may be made shall be as follows:"

(2) Paragraph *(a)* of the said subsection two is repealed and the following substituted therefor:—

"*(a)* the project shall in the discretion of the Minister be constructed in accordance with or in harmony with an official community plan satisfactory to him."

**18.** Section eleven of the said Act is further amended by adding thereto immediately after subsection two, the following subsection:—

Conditions of investment

"(2A) No investment under subsection (1A) of this section shall be made unless

(i) the project of the institutional housing corporation in the shares of which the investment is to be made, or each project of the institutional housing corporations the shares of which are held by the institutional holding company in the shares and debentures of which the investment is to be made, comply with paragraphs *(a)* and *(b)* of subsection two of this section,

(ii) an application has been submitted to the Minister in the form prescribed by him accompanied by the information in respect of the said project or each of the said projects required by paragraph *(c)* of subsection two of this section, and

(iii) the investment is approved by the Minister."

**16.** The new subsection (1A) of section eleven empowers life insurance companies to form and invest funds in institutional holding companies and institutional housing corporations, i.e., permits life insurance companies to make, through the medium of subsidiaries, investments which they may now make directly under section 11.

**17.** (1) Correction of reference by reason of new subsection (1A).

(2) For the purpose of making the requirement of an official community plan permissive rather than mandatory and, accordingly, to enable projects to be built prior to the adoption of such a plan. The only change is the insertion of the words (underlined on the opposite page): "the discretion of the Minister" and "him".

**18.** Subsection (2A) is new. It describes the conditions applicable to investments under subsection (1A) similar to the conditions applicable to investments under subsection (1).

**19.** Subsection three of section eleven of the said Act is repealed and the following substituted therefor:—

Guarantee to life insurance company.

"(3) Where a life insurance company agrees with the Minister,

*(a)* to maintain separate books and records relating to a rental housing project in which the company invests under this section satisfactory to the Minister and open to his inspection at any time;

*(b)* to establish a reserve on account of such project comprising all net earnings in any year after its completion in excess of six per centum per annum on the cost of the project; and

*(c)* to repay out of the said reserve any advances made by the Minister under the guarantee hereinafter mentioned,

the Minister shall guarantee to the company, for as long as it retains ownership of the whole or any part of the project, a net return in any year after the completion of the project of two and one-half per centum per annum of the cost of the project for a period not exceeding the estimated useful life of the project and in any case not exceeding fifty years."

**20.** Section eleven of the said Act is further amended by adding thereto immediately after subsection three, the following subsections:—

Guarantee to institutional housing corporation.

"(3A) Where an institutional housing corporation is formed and such corporation agrees with the Minister:—

*(a)* to maintain separate books and records relating to the rental housing project in which the corporation invests under this section satisfactory to the Minister and open to his inspection at any time;

*(b)* to establish a reserve on account of such project comprising all net earnings, including any net profit realized on the sale of the project or any part thereof, in any year after its completion in excess of six per centum per annum on the cost of the project; and

*(c)* to repay out of the said reserve any advances made by the Minister under the guarantee hereinafter mentioned,

the Minister shall guarantee to the corporation as long as the corporation retains ownership of the whole or any part of the project but not longer than the estimated useful life of the project and in any case not longer than fifty years, a net return in any year after the completion of the project of two and one-half per centum per annum of that portion of the cost of the project which was provided from funds subscribed by shareholders; and the Minister in his discretion may guarantee the principal of the debentures of an institutional holding company and interest thereon at a rate not more than two and one-half per centum per annum if he is satisfied that such a company holds at the time the

**19.** The only addition here is the insertion of the words "or any part". This change is necessary in order to permit part of a project to be sold with the approval of the Minister of Finance.

**20.** The purpose of this new subsection (3A) is to define the conditions for a guarantee of earnings by the Minister. These conditions are similar to the conditions under subsection (3), but provision is made for the case where the corporation may have only an equity investment rather than full ownership. The subsection also permits the guarantee in respect of an institutional housing corporation to be repeated in an explicit manner in respect of the debentures of an institutional holding company which owns the stock of such institutional housing corporation.

guarantee is given all the shares, except directors' qualifying shares, of one or more institutional housing corporations which have been guaranteed by him under this subsection.

"net return in any year" defined.

"(3B) For the purpose of this section 'net return in any year' means an amount equal to annual net earnings derived from the project computed by deducting from the total annual revenues therefrom all expenses of the year in respect thereof including provision for taxes, insurance, repairs and maintenance, interest and an amount sufficient to amortize the cost of construction of the project, including the cost of the land, over the estimated useful life of the project."

**21.** Subsection four of section eleven of the said Act is repealed and the following substituted therefor:—

Two or more companies join in project.

"(4) Two or more life insurance companies may join in the development, ownership and management of a rental housing project under this section or in causing to be formed an institutional holding company or an institutional housing corporation under subsection (1A) of this section."

**22.** Subsection five of section eleven of the said Act is repealed and the following substituted therefor:—

Approved lending institutions designated.

"(5) The Governor in Council may for the purposes of this section designate:—

*(a)* an approved lending institution subject to the jurisdiction of Parliament and in such case the provisions of the eight last preceding subsections and the next following section shall *mutatis mutandis* apply to the said lending institution except that the amount of its funds which may be invested shall not exceed five per centum of its assets in Canada at such amount as is approved by the Governor in Council for the purposes of this section; and

*(b)* an approved lending institution which is not subject to the jurisdiction of Parliament but which is empowered to make investments referred to in this section and in such case the provisions of the six last preceding subsections and the next following section shall *mutatis mutandis* apply to the said lending institution provided that the amount of investments in respect of which guarantees may be given under this section shall not exceed five per centum of its assets in Canada at such amount as is approved by the Governor in Council for the purposes of this section."

The new subsection (3B) clarifies the meaning of "net return in any year" in the case of projects owned directly or through the medium of institutional housing corporations.

**21.** The words underlined on the opposite page are new. This amendment permits two or more life insurance companies to act together for the purpose of forming institutional holding companies or institutional housing corporations.

**22.** Subsection (5) of Section eleven of the Act now reads as follows:—

"(5) The Governor in Council may for the purposes of this section designate an approved lending institution subject to the jurisdiction of Parliament and in such case the provisions of the four last preceding subsections and the next following section shall *mutatis mutandis* apply to the said lending institution except that the amount of its funds which may be invested shall not exceed five per centum of its assets in Canada at such amount as is approved by the Governor in Council for the purpose of this section."

The new paragraph *(a)* is substantially similar to subsection (5) which is being repealed.

Paragraph *(b)* is new and enables the Governor in Council to designate lending institutions not subject to the jurisdiction of Parliament as long as they are empowered otherwise to make the investments referred to in the preceding part of the section. In other words the Governor in Council will be enabled to designate companies subject to provincial jurisdiction and companies subject to the jurisdiction of the United States as long as these companies have authority under provincial or United States laws, as the case may be, to make this class of investments.

**23.** Subsection six of section eleven of the said Act is repealed and the following substituted therefor:—

Regulations.

"(6) The Governor in Council, on the recommendation of the Minister, may make regulations:—

*(a)* prescribing the manner in which the cost of a rental housing project shall be calculated for the purpose of this section with power to adjust the said cost in the event of the sale of a portion of a rental housing project or an addition thereto;

*(b)* prescribing the manner in which the net earnings shall be calculated for the purpose of this section; and

*(c)* providing for any matters concerning which regulations are deemed necessary or desirable to carry out the purposes or provisions of this section."

**24.** Section eleven of the said Act is further amended by adding thereto the following subsections:—

Minister may enter into contract.

"(7) The Minister may in consideration of the giving of any guarantee under this section enter into a contract with the institutional housing corporation or the institutional holding company to or in respect of which the guarantee is given on such terms and conditions as he deems advisable to give effect to the purposes and provisions of this Act and to safeguard the interests of His Majesty.

Guarantee entered into on behalf of His Majesty.

"(8) Any guarantee entered into by the Minister under this Part shall be entered into by the Minister on behalf of His Majesty."

**25.** The said Act is further amended by adding thereto after section eleven the following section:—

Aggregate principal amount which may be guaranteed.

"**11A.** The aggregate principal amount of investments which may be guaranteed by the Minister under this Part shall be one hundred and twenty-five million dollars."

**26.** Section thirteen of the said Act is repealed and the following substituted therefor:

Payments out of C.R.F. of loans and losses not exceeding $150,000,000.

"**13.** (1) The Minister may make loans under this Part and pay losses in respect of loans made under this Part not exceeding, in the aggregate, one hundred and fifty million dollars out of unappropriated moneys in the Consolidated Revenue Fund.

Payments out of C.R.F. in respect of guarantees.

(2) The Minister may make payments under any guarantee given under this Part out of unappropriated moneys in the Consolidated Revenue Fund."

**23.** Subsection six of section eleven at present reads as follows:—

"(6) The Governor in Council, on the recommendation of the Minister, may make regulations prescribing the manner in which the cost of a rental housing project and net earnings shall be calculated for the purpose of this section and may make regulations providing for any matters concerning which regulations are deemed necessary or desirable to carry out the purposes or provisions of this section."

The new subsection amplifies the authority to make regulations in order to cover in particular situations arising by reason of partial sale of a project and additions thereto.

**24.** The purpose of the new subsection seven is to enable the Minister to attach terms and conditions to the giving of any guarantee.

The new subsection eight provides that any guarantee entered into by the Minister is entered into on behalf of His Majesty.

**25.** This is a new section limiting to one hundred and twenty-five million dollars the amount of investments which may be guaranteed by the Minister under Part II.

**26.** Section thirteen at present reads as follows:

"**13.** The Minister may make loans under this Part and make payments under any guarantee under this Part not exceeding in the aggregate fifty million dollars out of unappropriated moneys in the Consolidated Revenue Fund."

The new sections eleven A and thirteen will bring the appropriations for Part II of the Act into closer conformity with the contemplated programme and will also clarify the intended meaning of the authority granted to the Minister.

**27.** Paragraph *(h)* of subsection one of section seventeen of the said Act is repealed and the following substituted therefor:—

Rate of interest.

"*(h)* the rate of interest on the loan did not exceed an effective rate of five per centum per annum as long as the borrower was not in default."

**28.** Paragraph *(k)* of subsection one of section seventeen of the said Act is repealed and the following substituted therefor:—

If no security.

"*(k)* no security by way of endorsement (other than that of the husband or wife of the owner) or otherwise was taken if the loan was made to an owner who occupied a one-family dwelling in respect of which the loan was to be expended so long as the borrower was not in default or except as provided by regulation in any other case; and"

**29.** The said Act is further amended by adding thereto after section twenty-seven the following section:—

Payments out of C.R.F.

"**27A.** The Minister may pay any expenditure incurred under or in carrying out the provisions of this Part, out of, unappropriated moneys in the Consolidated Revenue Fund to an aggregate amount not exceeding five million dollars."

**30.** Section thirty-two of the said Act is repealed and the following substituted therefor:—

Coming into force.

"**32.** Each Part of this Act shall come into force upon a date to be fixed by proclamation of the Governor in Council, provided that such proclamation may limit the type of loan to be made under any Part or the areas in which such loans may be made and the Governor in Council may fix and determine a date on and after which or a period during which no loans under any Part or Parts of this Act or no loans in excess of a stipulated maximum amount may be made."

Restrict period for loaning.

**27.** Paragraph *(h)* of subsection one of section seventeen now reads as follows:—

"*(h)* the rate of interest on the loan did not exceed five per centum per annum simple interest as long as the borrower was not in default;"

According to Government actuaries the calculation of "simple interest" is extremely cumbersome in the case of instalment loans particularly those involving monthly instalments. The effect of the change is to provide for an effective rate of interest of five per cent. per annum.

**28.** It is considered advisable to permit the banks to have the husband or wife of the owner endorse the obligation by way of security.

**29.** This is a new section to appropriate five million dollars for expenditures under Part V of the Act.

**30.** The underlined words have been added to give the Governor in Council authority to limit lending operations under the Act to particular classes of loans and particular areas.

240.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 240.

An Act to provide Rehabilitation Allowances for Veterans.

**AS PASSED BY THE HOUSE OF COMMONS, 11th DECEMBER, 1945.**

No First Reading

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

48110

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 240.

An Act to provide Rehabilitation Allowances for Veterans.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

## Short Title.

Short title.

**1.** This Act may be cited as *The Veterans Rehabilitation Act.*

## Interpretation.

**2.** In this Act, unless the context otherwise requires,

Definitions. "child."

*(a)* "child" means a child who, if a boy, is under the age of sixteen years or, if a girl, is under the age of seventeen years;

"Department."

*(b)* "Department" means the Department of Veterans Affairs;

"dependent."

*(c)* "dependent" means the wife, child or parent of a veteran maintained by him or for whose maintenance he is legally responsible and a daughter of the veteran, seventeen years or over, or other person, who, being competent to do so, has assumed conduct of the veteran's household and care of his children, and includes,

(i) a child legally adopted by the veteran and maintained by him,

(ii) a step-child of the veteran maintained by him,

(iii) an illegitimate child of the veteran acknowledged or maintained by him, and where the veteran is a a woman, having been born during service or within nine months thereafter and being maintained by her,

(iv) a woman who, although not legally married to the veteran was living with him at the time of his enlistment and on whose account dependents' allowance was being paid by the Department of National Defence;

## Explanatory Notes.

2. The only noteworthy change is in paragraph *(m)*. This is a step towards attaining uniformity in terminology in legislation relating to veterans. The expression "discharged person" is being dropped.

"discharge." "discharged." *(d)* "discharge" means any honourable termination of service from the forces since the tenth day of September, 1939, and "discharged" has a corresponding meaning;

"forces." *(e)* "forces" means the naval, military or air forces of His Majesty;

"Rehabilitation grant." *(f)* "rehabilitation grant" means "The Rehabilitation Grant" designated by the Orders in Council of December 19, 1940 (P.C. 7521), February 5, 1941 (P.C. 890), May 19, 1941 (P.C. 3544), April 4, 1944 (P.C. 2349), and October 2, 1941 (P.C. 6358);

"Minister." *(g)* "Minister" means the Minister of Veterans Affairs;

"pensioner." *(h)* "pensioner" means a veteran who is in receipt of a disability pension under the provisions of the *Pension Act;*

R.S., c. 157.

"period of service." *(i)* "period of service" means time served on active service in the forces, excluding therefrom any period of absence without leave or leave of absence without pay, or time served while undergoing sentence of penal servitude, imprisonment or detention, or period of service in respect of which pay is forfeited;

"regulation." *(j)* "regulation" means a regulation made under this Act;

"Unemployment Insurance Commission" "Unemployment Insurance Fund." *(k)* "Unemployment Insurance Commission" and "Unemployment Insurance Fund" have, respectively, the same meaning as in *The Unemployment Insurance Act, 1940;*

"university" *(l)* "university" means a university or college of educational standards approved by the Minister;

"veteran." *(m)* "veteran" means

(i) a person who has been on active service in the Canadian forces or in receipt of active service rates of pay from such forces during the war, including a person who has served in the Canadian Women's Army Corps since the thirteenth day of August, 1941, and

(ii) a person domiciled in Canada who served in the forces of His Majesty other than Canadian forces and was so domiciled at the time he joined any such forces for the purpose of the war,

and who has been discharged from such forces;

"war." *(n)* "war" means the war which commenced on the tenth day of September, 1939.

## Rehabilitation Allowances.

Allowances to veterans under certain conditions. **3.** Subject to the provisions of this Act, the Minister may promote the rehabilitation of veterans,

*(a)* by making allowances to or in respect of veterans who

(i) are temporarily incapacitated from performing work,

3. This is a general jurisdictional clause and sets out succinctly the main objects of the bill.

(ii) are out of work,
(iii) are awaiting returns from a business, or
(iv) are pursuing courses of training, and
*(b)* by paying the costs of such courses of training.

Allowance where veteran temporarily incapacitated.

**4.** (1) Subject to subsection two of this section, where a veteran is temporarily incapacitated from performing work or from taking training pursuant to the provisions of this Act by reason of a disability, and is not eligible to care in respect thereof under any other Act or regulation administered by the Minister, the Minister may on application of the veteran pay to him while he is so incapacitated an allowance for a period not exceeding the veteran's period of service or twelve months, whichever is the less.

No allowance for certain periods.

(2) No allowance may be paid to a veteran under this section:

*(a)* for the first thirty days immediately following his discharge if he has received or is eligible to receive a rehabilitation grant,

*(b)* for any period during which he is incapacitated more than eighteen months after his discharge.

Allowance where veteran out of work.

**5.** (1) Subject to the provisions of this section, where a veteran, who is capable of performing and is available for work and is unable to obtain suitable employment, the Minister may on application of the veteran pay to him an out-of-work allowance while he is so unemployed.

No out of work allowance in certain cases.

(2) An out-of-work allowance may not be paid to a veteran:

*(a)* for the first nine days of his unemployment whether continuous or not;

*(b)* in respect of any period during which he is unemployed more than eighteen months after his discharge: Provided that, where a veteran was a patient in or receiving any treatment from a hospital or health institution, or was in receipt of an allowance in respect of temporary incapacity under this Act, during any time within the said eighteen months, the Minister may, in his discretion, extend the period during which he may be paid an out-of-work allowance after the said eighteen months for a further period not exceeding the said time;

*(c)* for a time of unemployment exceeding twelve-months accumulated within the period prescribed in paragraph *(b)* of this subsection;

*(d)* who would, if his application were a claim for benefit under *The Unemployment Insurance Act, 1940*, be disqualified for benefit thereunder by reason of paragraphs *(a)*, *(b)*, *(c)*, *(d)*, or *(e)* of section forty-three thereof;

1940, c. 44.

4. This comes from paragraph 7, subparagraph *(b)* of The Post-Discharge Re-establishment Order and provides allowances for veterans temporarily incapacitated from performing work and who are ineligible for departmental care.

5. This comes from paragraph 5 of the P.D.R.O. and provides allowances for veterans who are out of work and capable of working and who are unable to find suitable work.

It may be particularly noted that subparagraph (3) of paragraph 5 has been dropped. This subparagraph provides that where the Unemployment Insurance Fund has been credited with an amount equivalent to the combined employer's and veteran's contribution pursuant to paragraph 18 of the Order, the period for which the veteran may receive out-of-work benefits shall be reduced by 1/5 of the period for which such credit was made. The effect of dropping this will be that the veteran will receive out-of-work benefits for the full period of his service up to one year without affecting his unemployment insurance benefits.

*(e)* except as prescribed by regulation, to a veteran who is a married woman; or

*(f)* for the first thirty days immediately following his discharge if he has received or is eligible to receive a rehabilitation grant.

Allowance while awaiting returns from business.

**6.** (1) Subject to the provisions of this section, where a veteran engages on his own account in any business and is awaiting returns therefrom, the Minister may pay to him an allowance for a period not exceeding the veteran's period of service or twelve months, whichever is the less.

Allowance where rehabilitation grant.

(2) No allowance may be paid to a veteran under this section in respect of the first thirty days immediately following his discharge if he has received or is eligible to receive a rehabilitation grant.

Time within which application to be made.

(3) Except as hereinafter otherwise provided, no allowance may be paid under this section unless application therefor is made by the veteran within twelve months after the date of termination of the war or the date of his discharge, whichever is the later date.

Additional time for applying in certain cases.

(4) Where a veteran

*(a)* was a patient or receiving any treatment from a hospital or health institution, or

*(b)* was in receipt of an allowance for temporary incapacity under section four of this Act, or

*(c)* has been delayed in entering business by reason of licensing or rationing laws or by reason of scarcity of the commodities or equipment required by him,

he shall have such additional time for applying for benefits under this section as is involved in the circumstances described in paragraphs *(a)*, *(b)* or *(c)* of this subsection.

Allowance during Vocational or Technical training.

**7.** (1) Subject to the provisions of this section, where a veteran takes a course of vocational or technical training which has been approved by the Minister as likely to fit him for employment or re-employment or to enable him to obtain better or more suitable employment, the Minister may pay him an allowance for the period during which he takes the said course.

Time within which application to be made.

(2) No allowance may be paid under this section unless application therefor is made by the veteran within twelve months after the date of termination of the war or the date of his discharge, whichever is the later date, but where a veteran was a patient in or receiving any treatment from a hospital or health institution, or was in receipt of an allowance for incapacity under section four of this Act, during any time within the said twelve months, the period during which he may make application is extended by the said time.

6. This comes from paragraph 7, subparagraph *(a)* of the P.D.R.O. and provides allowance for veterans who are awaiting returns from their own businesses. Para. *(c)* of subsection (4) is new.

7. This comes from paragraph 6 of the P.D.R.O. and provides allowances to veterans taking vocational or technical training considered suitable to fit the veteran for employment or more suitable employment.

Period for payment except in special cases.

(3) No allowance may be paid to a veteran under this section for a total period of more than twelve months except that, in special cases prescribed by regulation, the allowance may be paid for a period exceeding twelve months but not exceeding the period of service of the veteran.

Allowance where veteran an undergraduate.

**8.** (1) Subject to the provisions of this section, where a veteran,

*(a)* resumes or commences, within one year and three months after discharge, a course for the purpose of qualifying for admission to a university, or

*(b)* resumes or commences, within one year and three months after discharge, a university course, academic or professional, to which he is regularly admitted, or

*(c)* because of ill health, or for any other good reason shown to the satisfaction of the Minister, delays resumption or commencement of such course beyond such periods,

the Minister may pay him an allowance for the period during which he takes the said course.

Period for payment except in special cases.

(2) The total period for which an allowance may be paid to a veteran under this section shall not exceed his period of service, except that, if the Minister is of opinion that a veteran's progress and achievements in the course he is taking are such that it is in the interest of the veteran and in the public interest that payment of the allowance be continued during a longer period, the Minister may extend the period during which it may be paid.

Where veteran fails discontinuance of allowance.

(3) No allowance under this section shall be paid to a veteran who, having failed in one or more classes or subjects in any academic year, fails in more than one of the supplementary examinations next offered by the university in any of such classes or subjects.

Allowance where veteran taking post-graduate course.

**9.** (1) Subject to the provisions of this section, where a veteran resumes or commences a post-graduate course, either academic or professional, in a university within one year and three months after his discharge, or commences such a course as soon as may be after completing an undergraduate course, or where a veteran resumes or commences such a course more than one year and three months after his discharge by reason only of delay caused by ill health or any other cause satisfactory to the Minister and the Minister deems it in the public interest that the veteran should resume or commence such course, the Minister may pay him an allowance for the period during which he takes the said course.

Period for payment except in special cases.

(2) The total period for which an allowance may be paid to a veteran under this section, together with any period for which he is paid an allowance for under-graduate education under section eight of this Act shall not

8. This comes from paragraph 8 of the P.D.R.O. (as amended by Order in Council P.C. 3757 of the 29th of May, 1945) and provides allowances for veterans who are taking undergraduate university courses. Subsection (3) is new and brings veteran in line with civilian requirements as to examinations.

9. This comes from paragraph 9 of the P.D.R.O. and provides allowances for veterans pursuing post-graduate university courses.

exceed his period of service except that if the Minister is of opinion that a veteran's progress and achievements are so outstanding that it is in the public interest that payment of the allowance be continued during a longer period, the Minister may extend the period during which it may be paid.

Correspondence course, payment of cost.

**10.** (1) The Minister may on application of a veteran who is employed pay the cost of a correspondence course of training for the veteran if, in the opinion of the Minister, the course is necessary for the complete rehabilitation of the veteran and is directly related to the occupation in which he is employed, or expects to be employed, but the total amount paid under this subsection shall not exceed the amount of the allowance which might have been paid to such veteran under section seven of this Act for his period of service or twelve months, whichever is less.

Correspondence course in hospital.

1944, c. 19.

(2) The Minister may pay the cost of a correspondence course for a veteran receiving treatment in a hospital or similar institution under authority contained in *The Department of Veterans Affairs Act* if, in the opinion of the Minister, the course is necessary for the complete rehabilitation of the veteran.

Regulations respecting payment to Universities and for vocational and technical training.

**11.** (1) Where an allowance is being paid to a veteran under sections seven, eight or nine of this Act, or where such an allowance might be paid but for the provisions of section thirteen of this Act, the Minister may, in accordance with regulations, pay to any university, school or other similar institution, tuition fees, student fees and athletic fees or other necessary charges and costs of courses of training approved under this Act for, and taken by such veteran, and pay costs of special tuition and training of such veteran received while under treatment in hospitals and similar institutions under authority contained in *The Department of Veterans Affairs Act.*

Therapeutic courses.

(2) The Minister may, in accordance with regulations, pay for the provision of training of a technical, vocational or educational nature, where such training is given for therapeutic and pre-vocational purposes within hospitals and similar institutions under authority contained in *The Department of Veterans Affairs Act.*

Payment of costs to university and allowances in other cases.

(3) The Minister may, in accordance with regulations, pay to any university, school or other similar institution, such costs as are described in subsection one of this section, and pay allowances to any veteran undergoing technical, vocational or educational training therein, in accordance with the provisions of sections seven, eight and nine of this Act, where the Minister determines such training is given towards the restoration of the physical or mental condition

10. This comes from paragraph 11 of the P.D.R.O. and enables the Minister to pay the cost of correspondence courses for veterans while employed, where such a course is necessary for the full rehabilitation of the veteran and directly related to his employment. The expenditures are limited in such cases to the amount of the allowances which might have been paid to the veteran if he were taking a vocational training course.

Subclause (2) of this clause is new. It allows the payment of the cost of the correspondence course while the veteran is receiving hospital treatment.

11. This comes from subparagraph (8) of paragraph 6, from subparagraph (4) of paragraph 8, and from subparagraph (3) of paragraph 9 of the P.D.R.O. and allows payments to be made to universities, schools, and other similar institutions, of the fees and costs of courses of training in cases where an allowance is being paid to the veteran in connection with vocational or technical training courses and university courses.

A new feature is that it enables the Minister to pay the costs of such tuition and training of the veteran while receiving treatment in a departmental hospital.

Subclause (2) provides another new feature in that the Minister, in accordance with regulations, may pay for training of a technical, vocational or educational nature, if given for therapeutic and pre-vocational purposes or for the restoration of the physical or mental condition of the veteran or in the use of prosthetic appliances designed to compensate for incapacity.

of the veteran, or in the use by him of devices or appliances which may compensate for loss of physical or mental capacity.

Allowances respecting dependents.

**12.** Where an allowance is being paid to any veteran pursuant to the provisions of sections four, five, six, seven, eight or nine of this Act, the Minister may in accordance with regulations, pay contemporaneous allowances with respect to any dependent of the veteran.

Allowance in relation to income of veteran and dependents.

**13.** In determining the amount of an allowance to be paid to a veteran under this Act, the Minister may take into account any prospective wages, salary, pension or other income of the veteran and his dependents, if any, for the period with respect to which the allowance is or may be paid.

Certain allowances exempt from taxation.

**14.** No allowances paid to or on behalf of a veteran under sections seven, eight or nine of this Act shall be subject to taxation.

Residence in Canada.

**15.** Except as provided by regulation, no allowance may be paid under this Act to or on behalf of any veteran who resides out of Canada.

One allowance at one time.

**16.** (1) Not more than one allowance may be paid to a veteran under this Act at any time, nor may any allowance under this Act be paid to a veteran while he is in receipt of unemployment insurance benefit.

Period during which all allowances available.

(2) Except as otherwise specially provided in this Act, the total period for which a veteran may be paid allowances under this Act shall not exceed his period of service or twelve months, whichever is the shorter period.

Farming and fishing.

**17.** Notwithstanding the provisions of sections six and seven of this Act, a veteran may apply for an allowance under those sections at any time within one year after the date of his establishment under *The Veterans' Land Act, 1942*, either in full-time farming or commercial fishing.

1942-43, c. 33.

Benefits under other Acts.

**18.** (1) Notwithstanding the provisions of section sixteen of this Act, moneys paid pursuant to subsection two of section ten, or subsection two or subsection three of section eleven, of this Act, shall not preclude the veteran from taking any other benefit under this Act or diminish any other benefit to which the veteran may be entitled under this or any other Act.

1944-45, c. 51.

1942-43, c. 34.

(2) Notwithstanding the provisions of *The War Service Grants Act, 1944*, no money paid pursuant to *The Vocational Training Co-ordination Act, 1942*, shall be regarded as

12. This comes from paragraph 10 of the P.D.R.O. and enables the Minister to pay allowances with respect to dependents where the veteran himself is in receipt of an allowance pursuant to the terms of the Act.

13. This comes from subparagraph (5) of paragraph 5, from subparagraph (8) of paragraph 6, from subparagraph (3) of paragraph 7, from subparagraph (4) of paragraph 8 and from subparagraph (3) of paragraph 9 of the P.D.R.O. and provides for consideration of the income of the veteran in determining the allowance which may be paid to him under the Act.

14. This comes from Order in Council P.C. 128/8367 of the 31st October, 1944, which exempted allowances from taxation under the Income War Tax Act.

15. This comes from paragraph 13 of the P.D.R.O. It provides that allowances can only be paid to veterans residing in Canada except as provided by regulation. This enables reciprocal and other arrangements to be made with other governments.

16. This comes from paragraph 14 of the P.D.R.O.

17. New. Heretofore a veteran might be delayed in getting established under The Veterans' Land Act, 1942, and lose his rights to awaiting returns allowances and vocational training allowances by effluxion of time. Now he has extension for one year after establishment.

18. New. The cost of a correspondence course and vocational training received while in hospital and the cost of training that is given in schools for the mental or physical recovery of the veteran is not to affect other rights to benefit.

money paid to or on behalf or in respect of a veteran under this Act so as to affect the amount of benefit to which a veteran would otherwise be entitled under *The War Service Grants Act, 1944*.

REGULATIONS

Regulations.

**19.** The Minister may with the approval of the Governor in Council make regulations not inconsistent with this Act:

*(a)* to prescribe conditions, additional to those provided in this Act, extending the eligibility of veterans for the payment of any allowance or other benefit under this Act;

*(b)* to prescribe the conditions on which allowances may in special cases be paid for periods longer than those specified in this Act, where by this Act it is provided that payment during longer periods may be made in accordance with regulations;

*(c)* to prescribe the conditions on which allowances payable under this Act may be paid to persons not resident in Canada;

*(d)* the amount and manner of payment of any allowances or benefits under this Act to veterans or to or in respect of their dependents, and the manner of computing the amount of any such allowance or benefit payable for any period less than one month;

*(e)* to prescribe conditions upon which any allowance or other benefit, which may be paid under this Act, may be terminated;

*(f)* to prescribe the conditions upon which payments may be made to universities, schools or other similar institutions under section eleven of this Act;

*(g)* subject to the appropriation of moneys by Parliament

(i) to authorize and prescribe the conditions on which allowances or benefits in addition to those for which provision is made in this Act may be paid to veterans or their dependents,

(ii) to provide for the payment of travelling expenses, including living allowance of any veteran to assist in the rehabilitation of such veteran; and

(iii) to prescribe special allowances in the case of pensioners or particular classes of pensioners;

*(h)* to prescribe conditions upon which allowances may be paid to or in respect of pensioners and the costs of training of such pensioners where they are found to require training or retraining after the expiration of the time limits imposed by this Act; and

*(i)* to provide for any other matters necessary or advisable to carry into effect the purposes and provisions of this Act.

19. This is new and enables the Governor in Council to determine the amount of the allowances payable under the Act, to prescribe additional conditions upon which allowances may in special cases be paid and generally to deal with administrative details.

Expenditures from Parliamentary appropriation.

**20.** All expenditures made under this Act shall be paid out of moneys appropriated by Parliament for the purpose.

UNEMPLOYMENT INSURANCE ADJUSTMENT

Period for which unemployment insurance benefits deemed to have been received.

**21.** A veteran who completes fifteen weeks in insurable employment under *The Unemployment Insurance Act, 1940*, within a period of twelve months, whether continuous employment or not, shall for the purposes of that Act be deemed to have been in insurable employment immediately prior to the commencement of the said fifteen weeks period for a period equal to his service in the armed forces after the thirtieth day of June, nineteen hundred and forty-one, and the said insurable employment shall be deemed to have been continuous as nearly as may be without being contemporaneous with any period during which the veteran actually was in insurable employment under the said Act prior to the said fifteen weeks period.

Contributions to Unemployment Insurance Fund.

1940, c. 44.

**22.** As soon as may be after the Unemployment Insurance Commission ascertains that a veteran has completed fifteen weeks in insurable employment, there shall be credited to the Unemployment Insurance Fund out of moneys appropriated by Parliament for the purpose an amount equal to the combined employers' and employed person's contribution under *The Unemployment Insurance Act, 1940*, for a period equal to the veteran's period of service in the armed forces after the thirtieth day of June, nineteen hundred and forty-one, and such combined contributions shall be computed at the average rate of the contributions shown by the veteran's unemployment insurance book to have been paid by him and on his behalf for the said fifteen weeks; and for the purposes of *The Unemployment Insurance Act, 1940*, the veteran shall be deemed to have been *bona fide* employed in insurable employment during the said period of service and all contributions shall be deemed to have been paid under the said Act in respect of the veteran during the said period of service.

Unemployment Insurance Benefits to certain veterans of other nations.

**23.** Where the government of one of His Majesty's allies in the war has agreed to pay in respect of each of the veterans of its armed forces who was domiciled in Canada when he joined such armed forces for the purposes of the war, as soon as may be after the Unemployment Insurance Commission ascertains that he has completed fifteen weeks of insurable employment, an amount equal to the combined employer's and employed person's contributions under *The Unemployment Insurance Act, 1940*, for a period equal to the veteran's period of service in the said armed

21 and

22. Come, with certain changes, from paragraphs 17 and 18 of the P.D.R.O. and deal with the provision of unemployment insurance benefit for a veteran. As the law now stands veterans, after becoming established in insurable employment, are entitled to have their contributions paid for them for their period of service,—adjusted, however, for any period for which they may have received out-of-work benefits. The proposal is that the latter period will be ignored in establishing their rights to unemployment insurance.

23. This is new and deals with unemployment insurance benefits for certain veterans of the Allied Nations who were domiciled in Canada at the time of their enlistment.

forces after the thirtieth day of June, nineteen hundred and forty-one, computed at a rate equal to the average of the contributions shown by the veteran's unemployment insurance book to have been paid by him and on his behalf for the said fifteen weeks,

"veteran."

*(a)* the word "veteran" in section twenty-one of this Act includes a person resident in Canada,

(i) who served in the armed forces of such nation,

(ii) who was domiciled in Canada at the time he joined such forces for the purpose of the war, and

(iii) who has been discharged from such forces, and

*(b)* as soon as it has been ascertained that any such person has completed fifteen weeks in insurable employment, he shall, for the purposes of the said Act, be deemed to have been *bona fide* employed in insurable employment during his period of service in the said armed forces and all contributions shall be deemed to have been paid under the said Act in respect of him during the said period of service,

and, in any such case, every amount paid under the agreement shall be paid over to the Unemployment Insurance Fund.

Remedy of adverse effect on Fund.

**24.** If, on making any report on the financial condition of the Unemployment Insurance Fund the Unemployment Insurance Advisory Committee finds that the said Fund has been adversely affected by reason of the provisions of sections twenty-one and twenty-two of this Act, the Committee shall, in its report under section eighty-four of *The Unemployment Insurance Act, 1940*, state the amount and the manner in which the said Fund has been adversely affected as aforesaid, and the Governor in Council may on receipt of the said report take into consideration immediate measures to remedy any depletion of the said Fund due to the operation of this Act which depletion shall have been established by the aforesaid report of the Unemployment Insurance Advisory Committee.

24. This comes from paragraph 19 of the P.D.R.O. and provides a remedy for the adverse effect of the charge made against the Unemployment Insurance Fund.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 243.

An Act to amend the Senate and House of Commons Act.

First reading, December 13, 1945.

THE PRIME MINISTER.

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
46395 1945

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 243.

An Act to amend the Senate and House of Commons Act.

R.S., c. 147; 1931, c. 52; 1932-33, c. 48; 1940-41, c. 26.

HIS Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, enacts as follows:—

**1.** Section forty-three of the *Senate and House of Commons Act*, chapter one hundred and forty-seven of the Revised Statutes of Canada, 1927, is amended by adding thereto the following subsection:—

Expense allowance to members of the Senate and the House of Commons.

"(4) In addition to the expenses provided for in subsection one of this section, each member of the Senate and House of Commons shall be paid an allowance for expenses incidental to the discharge of his duties as a member, at the rate of two thousand dollars per annum for the period during which he is a member. This allowance shall be paid at the end of each calendar year and shall be subject to a deduction equal to one half of the deductions, if any, from the member's sessional allowances in respect of non-attendance at sittings of the House of which he is a member during such year. In the case of Ministers of the Crown, of the Leader of the Opposition in the House of Commons, and of members of the Senate, the amount of such allowance paid shall be deemed to be taxable income."

**2.** This Act shall be deemed to have come into effect on the sixth day of September, one thousand nine hundred and forty-five.

First Session, Twentieth Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 244.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

**AS PASSED BY THE HOUSE OF COMMONS, 18th DECEMBER, 1945.**

No First Reading

OTTAWA
EDMOND CLOUTIER
PRINTER TO THE KING'S MOST EXCELLENT MAJESTY
1945

44996

1st Session, 20th Parliament, 9 George VI, 1945.

THE HOUSE OF COMMONS OF CANADA.

# BILL 244.

An Act for granting to His Majesty certain sums of money for the public service of the financial year ending the 31st March, 1946.

MOST GRACIOUS SOVEREIGN,

Preamble.

WHEREAS it appears by messages from His Excellency, the Right Honourable the Earl of Athlone, etc., etc., Governor General of Canada, and the estimates accompanying the said messages, that the sums hereinafter mentioned are required to defray certain expenses of the public service of Canada, not otherwise provided for, for the financial year ending the thirty-first day of March, one thousand nine hundred and forty-six, and for other purposes connected with the public service: May it therefore please Your Majesty that it may be enacted, and be it enacted by the King's Most Excellent Majesty, by and with the advice and consent of the Senate and House of Commons of Canada, that:—

Short title.

**1.** This Act may be cited as *The Appropriation Act, No. 6, 1945.*

$117,775,292.34 granted for 1945-46.

**2.** From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole one hundred and seventeen million, seven hundred and seventy-five thousand, two hundred and ninety-two dollars and thirty-four cents towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-five to the thirty-first day of March, one thousand nine hundred and forty-six, not otherwise provided for, and being the amount of each of the items voted, set forth in Schedule A to this Act, less the amounts voted on account of the said items by *The Appropriation Act, No. 2, 1945*, *The Appropriation Act, No. 3, 1945*, *The Appropriation Act, No. 4, 1945*, and *The Appropriation Act, No. 5, 1945:* Provided

Proviso.

the amount hereby authorized to be paid and applied in respect to each item, set forth in said Schedule A, shall be deemed to include and not to be in addition to, the amount authorized to be issued, in respect to certain items in the said Schedule, by Governor General's Warrant under the authority of Order in Council, P.C. 5827, dated the thirtieth day of August, 1945.

Supplementary Estimates granted for 1945-46.

**3.** From and out of the Consolidated Revenue Fund there may be paid and applied a sum not exceeding in the whole twenty-one million, nine hundred and thirty-one thousand and forty-eight dollars, towards defraying the several charges and expenses of the public service, from the first day of April, one thousand nine hundred and forty-five, to the thirty-first day of March, one thousand nine hundred and forty-six, not otherwise provided for, and being the amount of each of the several items voted, set forth in Schedule B to this Act.

Power to raise loan of $200,000,000 for public works and general purposes.

1931, c. 27.

**4.** (1) The Governor in Council may, in addition to the sums now remaining unborrowed, and negotiable of the loans authorized by Parliament, by any Act heretofore passed, raise by way of loan, under the provisions of *The Consolidated Revenue and Audit Act, 1931*, by the issue and sale or pledge of securities of Canada, in such form, for such separate sums, at such rate of interest and upon such other terms and conditions as the Governor in Council may approve, such sum or sums of money, not to exceed in the whole the sum of two hundred million dollars, as may be required for public works and general purposes, and in addition such sum or sums of money as may be required to pay and redeem treasury bills and Dominion of Canada deposit certificates maturing from time to time.

Chargeable to Consolidated Revenue Fund.

(2) The principal raised by way of loan under this Act and the interest thereon shall be a charge upon and payable out of the Consolidated Revenue Fund.

Lapse of prior borrowing powers.

(3) All borrowing powers authorized by section four of chapter fifty-two of the statutes of 1944-45 which are outstanding and unused shall expire on the date of the coming into force of this Act.

Account to be rendered in detail.

**5.** A detailed account of the sums expended under the authority of this Act shall be laid before the House of Commons of Canada during the first fifteen days of the then next session of Parliament.

# SCHEDULE A.

Based on the Main Estimates, 1945-46. The amount hereby granted is $117,775,292.34, being the amount of each of the items in the Estimates as contained in this Schedule, less the amounts voted on account of the said items by *The Appropriation Act, No. 2, 1945*, *The Appropriation Act, No. 3, 1945*, *The Appropriation Act, No. 4, 1945*, and *The Appropriation Act, No. 5, 1945*.

SUMS granted to His Majesty, by this Act for the financial year ending 31st March, 1946, and the purposes for which they are granted.

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | AGRICULTURE | | |
| | ADMINISTRATION SERVICE | | |
| 1 | Departmental Administration | 136,035 00 | |
| 2 | Publicity and Extension Division | 105,229 00 | |
| 3 | Advisory Committee on Agricultural Services | 3,000 00 | |
| 4 | Contributions to Empire Bureaux, in the amounts detailed in the Estimates | 47,397 00 | |
| | SCIENCE SERVICE | | |
| 5 | Science Service Administration | 26,073 00 | |
| 6 | Animal and Poultry Pathology | 150,855 00 | |
| 7 | Bacteriology and Dairy Research | 45,420 00 | |
| 8 | Botany and Plant Pathology | 372,639 00 | |
| 9 | Agricultural Chemistry | 125,965 00 | |
| 10 | Entomology | 610,045 00 | |
| 11 | Plant Protection | 311,370 00 | |
| | EXPERIMENTAL FARMS SERVICE | | |
| 12 | Experimental Farms Service Administration | 63,205 00 | |
| 13 | Central Experimental Farm | 728,935 00 | |
| 14 | Branch Farms and Stations and Illustration Stations | 1,531,740 00 | |
| | PRODUCTION SERVICE | | |
| 15 | Production Service Administration | 35,445 00 | |
| | Health of Animals— | | |
| 16 | Administration of Animal Contagious Diseases Act and Meat and Canned Foods Act | 1,924,443 00 | |
| 17 | Compensation for Animals Slaughtered | 372,620 00 | |
| 18 | Live Stock and Poultry | 762,925 00 | |
| | Plant Products— | | |
| 19 | Seeds, Feeds, Fertilizers, Insecticides and Fungicides Control, including grant of $18,900 to Canadian Seed Growers' Association | 601,294 00 | |
| 20 | Grants to Fairs and Exhibitions, in the amounts detailed in the Estimates | 62,690 00 | |
| 21 | Grants to Agricultural Organizations, in the amounts detailed in the Estimates | 33,500 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | AGRICULTURE—*Concluded* | | |
| | MARKETING SERVICE | | |
| 22 | Marketing Service Administration | 111,742 00 | |
| 23 | Agricultural Economics | 129,980 00 | |
| 24 | Dairy Products | 401,719 00 | |
| 25 | Subsidies for Cold Storage Warehouses, under the Cold Storage Act, and Grants, in the amounts detailed in the Estimates | 338,477 00 | |
| 26 | Fruit, Vegetable and Maple Products and Honey, including Grant of $5,000 to Canadian Horticultural Council | 567,000 00 | |
| 27 | Live Stock and Live Stock Products | 631,507 00 | |
| 28 | Marketing of Agricultural Products, including temporary appointments that may be required to be made, notwithstanding anything contained in the Civil Service Act, the amount available for such appointments not to exceed $15,000 | 25,000 00 | |
| | SPECIAL | | |
| 29 | Prairie Farm Rehabilitation Act and Water Storage | 2,000,000 00 | |
| 30 | Prairie Farm Assistance Act—Administration | 250,000 00 | |
| 31 | To provide for Wheat Acreage Reduction Payments; for administration expenses in connection therewith, and for temporary appointments that may be required notwithstanding anything contained in the Civil Service Act | 600,000 00 | |
| 32 | To provide for assistance to encourage the Improvement of Cheese and Cheese Factories | 1,800,000 00 | |
| 33 | To provide assistance for the replacement of maple production equipment | 200,000 00 | |
| 34 | To provide for Administrative Expenses, Agricultural Prices Support Act, 1944 | 50,000 00 | |
| 35 | Agricultural Research Special Projects | 200,000 00 | |
| | | | 15,356,250 00 |
| | AUDITOR GENERAL'S OFFICE | | |
| 36 | Salaries and Expenses of Office | ..... | 408,155 00 |
| | CHIEF ELECTORAL OFFICER | | |
| 37 | Salaries and Expenses of Office | ..... | 47,630 00 |
| | CIVIL SERVICE COMMISSION | | |
| 38 | Salaries and Contingencies of the Commission | ..... | 476,770 00 |
| | EXTERNAL AFFAIRS | | |
| 39 | Departmental Administration | 526,085 00 | |
| 40 | Passport Office—Administration | 29,928 00 | |
| 41 | Representation Abroad—including salaries of High Commissioners, Ambassadors, Ministers Plenipotentiary, Consuls, Secretaries and Staff, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments | 1,701,060 00 | |
| 42 | To provide for hospitality in connection with visitors from abroad | 15,000 00 | |
| 43 | Grant to the League of Nations Society in Canada | 3,000 00 | |
| 44 | Grant to the International Red Cross Committee | 40,000 00 | |
| 45 | Amount required to meet loss on exchange | 64,000 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | EXTERNAL AFFAIRS—*Concluded* | | |
| | CANADA'S CONTRIBUTIONS TO MAINTENANCE OF EXTERNAL ORGANIZATIONS | | |
| 46 | Expenses of the League of Nations for 1945, including Secretariat, International Labour Organization and Permanent Court of International Justice | 319,005 00 | |
| 47 | Portion of expenditure of the Imperial Economic Committee | 1,575 00 | |
| 48 | Portion of expenses of International Wheat Council | 4,000 00 | |
| 49 | Expenses of the Intergovernmental Committee on Refugees | 3,100 00 | |
| | INTERNATIONAL JOINT COMMISSION | | |
| 50 | To provide for preliminary studies and surveys of the Columbia River Watershed | 130,000 00 | |
| | | | 2,836,753 00 |
| | FINANCE | | |
| 51 | Departmental Administration | 639,578 00 | |
| 52 | Bank Inspection (Inspector General of Banks' Office) | 27,460 00 | |
| 53 | Royal Canadian Mint, including the Dominion of Canada Assay Office | 449,197 00 | |
| | HOUSING BRANCH | | |
| 54 | Administration, National Housing Act and Home Improvement Loans | 186,796 00 | |
| 55 | To provide for payments of amounts owing under guarantees given by Minister of Finance pursuant to Item 51 of Schedule A to the Appropriation Act, No. 5, 1944 (and pursuant to corresponding items in previous Appropriation Acts) to approved lending institutions in respect of loans made for the purpose of financing the conversion of existing houses into multiple family houses, such payments to be made out of unappropriated moneys in the Consolidated Revenue Fund | 1 00 | |
| | OLD AGE PENSIONS (INCLUDING PENSIONS TO THE BLIND) | | |
| 56 | Old Age Pensions including Pensions to the Blind, Administration | 48,649 00 | |
| | SUPERANNUATION AND RETIREMENT BENEFITS | | |
| 57 | Superannuation and Retirement Acts, Administration | 171,164 00 | |
| 58 | Government's contribution to the Superannuation Fund | 2,600,000 00 | |
| 59 | To provide for retiring allowances to former employees of the Department of Public Printing and Stationery | 1,110 00 | |
| | Servicing of Public Debt— | | |
| 60 | Commission for payment of interest on public debt, Services of Fiscal Agents, London, Registrar's Fees, etc. | 280,300 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | FINANCE—*Concluded* | | |
| | *Special Compensation to Provinces* | | |
| 61 | To enable the Minister of Finance, subject to agreements with the provinces to guarantee the provincial liquor revenues of the provinces entering into an agreement, pursuant to the offer made by the Minister of Finance to the Provincial Premiers on March 2, 1943, whereby in consideration of the provinces raising retail prices for spirits by an amount at least sufficient to absorb the increase in excise duty of $2.00 per proof gallon, imposed under amendment to the Excise Act, Chapter 9, Statutes of Canada, 1943, and an additional amount equivalent to $2.00 per proof gallon, the Dominion guarantees for the duration of the wartime liquor control restrictions, the liquor revenues of each province on the basis of such revenues received during the 12 months ending June 30, 1942, provided that any payments necessary to fulfil the guarantees given under this authority shall be paid out of any unappropriated moneys in the Consolidated Revenue Fund | 1 00 | |
| | MISCELLANEOUS GRANTS AND CONTRIBUTIONS | | |
| 62 | Canadian General Council of the Boy Scouts | 9,000 00 | |
| 63 | Dominion Council of the Girl Guides | 4,860 00 | |
| 64 | Royal Astronomical Society | 1,620 00 | |
| 65 | Royal Canadian Academy of Arts | 2,025 00 | |
| | Federal District Commission— | | |
| 66 | Maintenance and improvement of grounds adjoining Government buildings, Ottawa, and improvements to the parkway system under the control of the Federal District Commission | 133,500 00 | |
| | GENERAL | | |
| 67 | Tariff Board, including the Dominion Trade and Industry Commission—Payments may be made notwithstanding anything in the Civil Service Act or Regulations | 74,570 00 | |
| 68 | To provide for the expenses of the Comptroller of the Treasury's Office | 5,122,560 00 | |
| 69 | Farmers' Creditors Arrangement Act, 1943, and Municipal Improvements Assistance Act, 1938, Administration | 214,110 00 | |
| 70 | To provide, subject to the approval of the Treasury Board, for salaries, cost of living bonus, re-classifications and increases | 100,000 00 | |
| 71 | Unforeseen expenses, expenditure thereof to be subject to the approval of the Treasury Board and a detailed statement to be laid before Parliament within fifteen days of next session | 80,000 00 | |
| | | | 10,146,501 00 |
| | FISHERIES | | |
| 72 | Departmental Administration | 163,760 00 | |
| 73 | Fisheries Inspection, including Fishery Officers and Guardians, Fisheries Patrol and Protection Services | 968,000 00 | |
| 74 | Building Fishways and Clearing Rivers (Revote $10,000) | 17,000 00 | |
| 75 | Educational Extension Service (formerly Development of the Deep Sea Fisheries and the Demand for Fish) | 30,000 00 | |
| 76 | Fish Culture | 199,030 00 | |
| 77 | Oyster Culture | 34,430 00 | |
| 78 | Fisheries Research Board of Canada | 487,200 00 | |
| 79 | To provide for Canadian share of expenses of the International Fisheries Commission appointed under Treaty dated March 2, 1923, between Canada and the United States for the preservation of the North Pacific Halibut Fisheries | 27,100 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | FISHERIES—*Concluded* | | |
| 80 | To provide for Canadian share of expenses of the International Pacific Salmon Fisheries Commission under Treaty between Canada and the United States for the protection, preservation and extension of the Sockeye Salmon Fisheries of the Fraser River System | 42,000 00 | |
| 81 | To provide for Canadian share of expenses of the International Pacific Salmon Fisheries Commission to overcome obstructions to the ascent of sockeye salmon at Hell's Gate Canyon, and for investigating and overcoming obstructions to such salmon at other points on the Fraser River Watershed (Revote) | 750,000 00 | |
| 82 | Grant to the United Maritime Fishermen's Association | 3,000 00 | |
| 83 | To provide for transportation, dressing and dyeing, and other expenses incidental to receiving and disposing of fur seal skins accruing to Canada pursuant to Provisional Fur Seal Agreement between Canada and the United States by exchange of notes dated December 8 and 19, 1942 | 300,000 00 | |
| 84 | To provide for payment of a bounty for the destruction of Harbour Seals | 15,000 00 | |
| | SPECIAL | | |
| 85 | To provide for the extension of educational work in cooperative producing and selling among fishermen | 56,000 00 | |
| 86 | To provide for administrative expenses of the Fisheries Prices Support Act, 1944 | 60,000 00 | |
| 87 | To provide for improvement of shore facilities for the handling of fisheries products, subject to the approval of the Governor General in Council | 250,000 00 | |
| | | | 3,402,520 00 |
| | GOVERNOR GENERAL AND LIEUTENANT-GOVERNORS | | |
| 88 | Office of the Secretary to the Governor General, including allowance of $2,500 per annum to the Secretary to the Governor General | ..... | 103,646 00 |
| | INSURANCE | | |
| 89 | Departmental Administration | 180,830 00 | |
| 90 | Expenses of work in the interest of Fire Prevention | 19,925 00 | |
| | | | 200,755 00 |
| | JUSTICE | | |
| 91 | Departmental Administration | 170,499 00 | |
| 92 | Remission Service, including remuneration to members of the Royal Canadian Mounted Police Force (to be expended under Order in Council, and not to exceed $1,600) for assistance to this Service, and an amount of $10,900 to reimburse the Royal Canadian Mounted Police Force the amounts disbursed by them in ordinary pay and allowances to their men on loan to this Service | 55,410 00 | |
| 93 | Administration of Justice— Miscellaneous Expenditure | 6,000 00 | |
| 94 | Expenses of Litigated Matters | 25,000 00 | |
| 95 | Annual contribution to the Canadian Law Library, London, England | 500 00 | |
| 96 | Supreme Court of Canada— Administration | 76,995 00 | |
| 97 | Exchequer Court of Canada— Administration | 41,533 00 | |
| 98 | Yukon Territorial Court— Administration | 5,040 00 | |
| 99 | Payments of gratuities to the widows or other dependents of judges who die while in office | 15,000 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts |
| | JUSTICE—*Concluded* | | |
| | PENITENTIARIES BRANCH | | |
| 100 | Branch Administration | 122,344 00 | |
| 101 | Operation and maintenance of penitentiaries, including administration, construction, purchase of land, supplies, equipment and livestock; maintenance, discharge and transfer of convicts; compensation to discharged convicts permanently disabled while in penitentiaries | 3,512,683 00 | |
| | PENSIONS AND OTHER BENEFITS | | |
| 102 | William Tatton | 564 00 | |
| | | | 4,031,568 00 |
| | LABOUR | | |
| 103 | Departmental Administration | 526,002 00 | |
| 104 | Annuities Act | 372,574 00 | |
| 105 | Combines Investigation Act | 29,000 00 | |
| 106 | Fair Wages, Conciliation and Industrial Disputes Investigations | 173,580 00 | |
| 107 | International Labour Conference | 20,000 00 | |
| 108 | Labour Gazette and other publications authorized by Labour Department Act | 63,723 00 | |
| | Vocational Training Co-ordination Act, 1942— | | |
| 109 | Payments to the Provinces under Agreements, including undischarged commitments of previous years | 750,000 00 | |
| 110 | Expenses of Advisory Council | 5,000 00 | |
| | UNEMPLOYMENT INSURANCE ACT, 1940 | | |
| 111 | Administration | 6,579,200 00 | |
| 112 | Government's Contribution to Unemployment Insurance Fund | 13,500,000 00 | |
| 113 | Advances to Workers under Section 91 of the Act | 50,000 00 | |
| | SPECIAL | | |
| 114 | To provide for Relief Projects (undischarged commitments) | 50,000 00 | |
| | | | 22,119,079 00 |
| | LEGISLATION | | |
| | THE SENATE | | |
| | The Speaker of the Senate— | | |
| 115 | Allowance in lieu of Residence | 3,000 00 | |
| 116 | General Administration | 229,040 00 | |
| | HOUSE OF COMMONS | | |
| | The Speaker of the House of Commons— | | |
| 117 | Allowance in lieu of residence | 3,000 00 | |
| | The Deputy Speaker of the House of Commons— | | |
| 118 | Allowance in lieu of apartments | 1,500 00 | |
| 119 | General Administration—Estimates of the Clerk | 517,200 00 | |
| 120 | Estimates of the Sergeant-at-Arms | 332,767 00 | |
| 121 | Subscriptions to publications of the Empire Parliamentary Association to be distributed to Members of the House of Commons | 2,000 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | LEGISLATION—*Concluded* | | |
| | HOUSE OF COMMONS—*Concluded* | | |
| 122 | To provide hereby, notwithstanding anything contained in the Consolidated Revenue and Audit Act or the provisions of the Senate and House of Commons Act respecting the Independence of Parliament, for payment out of the Consolidated Revenue Fund to each Member of the House of Commons appointed by the Governor in Council to be a Parliamentary Assistant (which appointment shall not render such Member ineligible or disqualify him as a Member of the House of Commons) to assist a Minister of the Crown in such manner and to such extent as the Minister may determine and to represent his Department in the House of Commons in the absence of the Minister therefrom, a salary of four thousand dollars per annum and *pro rata* for any period less than a year | 40,000 00 | |
| | GENERAL | | |
| 123 | Printing of Parliament, including salaries of staff of Joint Distribution Office | 75,000 00 | |
| | LIBRARY OF PARLIAMENT | | |
| 124 | General Administration | 81,888 00 | |
| | PENSIONS AND OTHER BENEFITS | | |
| 125 | Pension to the unmarried sister of the late Colonel Harry Baker, M.P. | 700 00 | |
| | | | 1,286,095 00 |
| | MINES AND RESOURCES | | |
| 126 | Departmental Administration | 152,565 00 | |
| | MINES AND GEOLOGY BRANCH | | |
| 127 | Branch Administration | 31,000 00 | |
| | Bureau of Mines— | | |
| 128 | Bureau of Mines Administration | 22,800 00 | |
| 129 | Mineral Resources Investigation | 455,790 00 | |
| 130 | Expolosives Act | 29,500 00 | |
| 131 | To provide for the fabrication, erection and equipping of a hydrogenation plant in the Fuel Research Laboratories (Revote $100,000) | 770,000 00 | |
| | Bureau of Geology and Topography— | | |
| 132 | Bureau of Geology and Topography Administration and Miscellaneous Services | 117,024 00 | |
| 133 | Geological Surveys | 341,000 00 | |
| 134 | Topographical Surveys, including expenses of the Geographic Board of Canada | 282,764 00 | |
| 135 | Drafting and Map Reproduction | 106,482 00 | |
| 136 | National Museum of Canada | 52,800 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | MINES AND RESOURCES—*Continued* | | |
| | LANDS, PARKS AND FORESTS BRANCH | | |
| 137 | Branch Administration | 20,000 00 | |
| | Government of the Northwest Territories— | | |
| 138 | General Administration, operation and maintenance of services, including Wood Buffalo Park | 379,685 00 | |
| 139 | Eastern Arctic Expedition | 75,000 00 | |
| | Government of the Yukon Territory— | | |
| 140 | Administration | 73,500 00 | |
| | Dominion Forest Service— | | |
| 141 | General scientific, economic, and administrative services | 139,895 00 | |
| 142 | Forest Experiment Stations | 121,415 00 | |
| 143 | Forest Products Laboratories | 175,400 00 | |
| 144 | Grant to Canadian Forestry Association | 1,620 00 | |
| | Land Registry— | | |
| 145 | Land Registry, Seed Grain Collections, Administration of Ordnance, Admiralty and Public Lands | 55,390 00 | |
| | National Parks Bureau— | | |
| 146 | National Parks and Historic Sites Services | 1,050,000 00 | |
| 147 | Administration of Migratory Birds Convention Act | 50,750 00 | |
| 148 | Forest and Wild Life Conservation | 40,000 00 | |
| 149 | Grant to the Jack Miner Migratory Bird Foundation (formerly provided as a grant to John Thomas (Jack) Miner) | 2,500 00 | |
| | SURVEYS AND ENGINEERING BRANCH | | |
| 150 | Branch Administration | 23,245 00 | |
| 151 | Dominion Observatory, Ottawa | 103,105 00 | |
| 152 | Dominion Astrophysical Observatory, Victoria, B.C. | 24,552 00 | |
| 153 | Dominion Water and Power Bureau, including the administration of the Dominion Water Power and Irrigation Acts | 251,000 00 | |
| 154 | Lake of the Woods Control Board | 8,950 00 | |
| 155 | To provide for the expenses incurred under the Agreement between the Dominion, Ontario and Manitoba, confirmed by the Lac Seul Conservation Act, 1928, moneys expended to be largely reimbursed | 20,650 00 | |
| 156 | To provide for acquiring flowage easements and discharging claims of owners of riparian lands in Ontario below the outlets of Lake of the Woods affected by regulation under the Lake of the Woods Control Board Act (Revote) | 500 00 | |
| 157 | Engineering and Construction Service | 99,100 00 | |
| 158 | Geodetic Service | 146,610 00 | |
| 159 | To recoup the Temiskaming and Northern Ontario Railway Commission in connection with their claim for injury to John Hedin | 240 00 | |
| 160 | International Boundary Commission | 38,785 00 | |
| | Hydrographic and Map Service— | | |
| 161 | Hydrographic Service | 407,285 00 | |
| 162 | Legal Surveys and Map Service, including grant of $350 to assist in printing the publication of the Canadian Institute of Surveying | 290,082 00 | |
| 163 | To provide for the payment of fees of the Board of Examiners for Dominion Land Surveyors, of the Secretary and of the Sub-Examiners and for travelling expenses, stationery, printing, rent, etc., (the fees of F. H. Peters, J. E. R. Ross and R. H. Montgomery, members of the Board, and A. W. W. Cole, Secretary, are to be paid out of this sum) | 950 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | MINES AND RESOURCES—*Concluded* | | |
| | INDIAN AFFAIRS BRANCH | | |
| 164 | Branch Administration | 63,070 00 | |
| 165 | Indian Agencies | 898,266 00 | |
| | Reserves and Trusts— | | |
| 166 | Administration | 50,735 00 | |
| | Medical— | | |
| 167 | Indian Hospitals and General Care of Indians | 2,425,000 00 | |
| 168 | Grants to Hospitals | 4,320 00 | |
| | Welfare and Training— | | |
| 169 | Welfare of Indians | 877,260 00 | |
| 170 | Indian Education | 790,321 00 | |
| 171 | Grants to Residential Schools | 1,619,915 00 | |
| 172 | Grants to Agricultural Exhibitions and Indian Fairs, in the amounts detailed in the Estimates | 5,625 00 | |
| 173 | Grant to provide additional services to Indians of British Columbia | 100,000 00 | |
| | IMMIGRATION BRANCH | | |
| 174 | Administration of the Immigration Act and the Chinese Immigration Act | 182,524 00 | |
| 175 | Field and Inspectional Service, Canada | 1,310,345 00 | |
| 176 | Field and Inspectional Service, Abroad | 148,957 00 | |
| | PENSIONS AND OTHER BENEFITS | | |
| 177 | Mrs. Alice Morson Smith | 600 00 | |
| | SPECIAL | | |
| | INDIAN AFFAIRS BRANCH | | |
| 178 | Fur Conservation, and development of native crafts, and to authorize, subject to the approval of the Governor in Council, the appointment of such extra temporary officers, clerks and employees as may be necessary for the purpose of this item | 150,000 00 | 14,588,872 00 |
| | MUNITIONS AND SUPPLY | | |
| | (OTHER THAN WAR APPROPRIATIONS) | | |
| | OFFICE OF THE COAL CONTROLLER | | |
| | *Coal Subsidies and Subventions* | | |
| 179 | Dominion Fuel Board, Administration and Investigations | 32,120 00 | |
| 180 | Payments in connection with the movements of Coal under conditions prescribed by the Governor in Council | 4,500,000 00 | 4,532,120 00 |
| | NATIONAL DEFENCE | | |
| | (OTHER THAN WAR APPROPRIATIONS) | | |
| | NORMAL SERVICES | | |
| 181 | Grants to Military Associations and Institutes, as detailed in the Estimates | 10,425 00 | |
| 182 | Miscellaneous Maintenance and Adjustments (War of 1914–18) | 22,930 00 | |
| 183 | Battlefields Memorials | 49,625 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | NATIONAL DEFENCE—*Concluded* | | |
| | PENSIONS AND OTHER BENEFITS | | |
| | Civil Pensions— | | |
| 184 | Robert Allen | 269 52 | |
| 185 | Walter Pettipas | 515 90 | |
| 186 | Florence Walker | 360 00 | |
| 187 | Arnold Truman Townsend | 420 00 | |
| 188 | Michael Mountain | 420 00 | |
| 189 | Mrs. Alice Smuck | 480 00 | |
| | | | 85,445 42 |
| | NATIONAL HEALTH AND WELFARE | | |
| 190 | Departmental Administration | 287,000 00 | |
| | NATIONAL HEALTH BRANCH | | |
| 191 | Health Branch Administration | 58,732 00 | |
| 192 | Food and Drugs | 189,260 00 | |
| 193 | Opium and Narcotic Drugs | 75,624 00 | |
| 194 | Proprietary or Patent Medicines | 16,533 00 | |
| 195 | Quarantine and Leprosy | 187,647 00 | |
| 196 | Laboratory of Hygiene | 167,161 00 | |
| 197 | Immigration Medical Inspection | 55,399 00 | |
| 198 | Child and Maternal Hygiene | 45,381 00 | |
| 199 | Public Health Engineering | 49,389 00 | |
| 200 | Treatment of Sick Mariners | 329,488 00 | |
| 201 | Industrial Hygiene | 8,665 00 | |
| 202 | Medical Investigation Division | 22,385 00 | |
| 203 | Nutrition Service | 69,027 00 | |
| | Combating Venereal Diseases— | | |
| 204 | Administration | 24,678 00 | |
| 205 | Assistance to Provinces for control of venereal diseases under regulations approved by the Governor in Council | 175,000 00 | |
| 206 | Distribution of Drugs under regulations approved by the Governor in Council | 50,000 00 | |
| 207 | Grants to Institutions assisting Sailors, in the amounts detailed in the Estimates | 2,600 00 | |
| | WELFARE BRANCH | | |
| 208 | Welfare Branch Administration | 51,125 00 | |
| | Family Allowance Division— | | |
| 209 | Administration Expenses | 2,392,070 00 | |
| | MISCELLANEOUS GRANTS | | |
| | Grant to— | | |
| 210 | Canadian Welfare Council | 8,100 00 | |
| 211 | Canadian National Committee for Mental Hygiene | 10,000 00 | |
| 212 | Health League of Canada | 5,000 00 | |
| 213 | Canadian National Institute for the Blind | 18,000 00 | |
| 214 | L'Association Canadienne Francaise des Aveugles | 4,050 00 | |
| 215 | L'Institut Nazareth de Montreal | 4,050 00 | |
| 216 | Montreal Association for the Blind | 4,050 00 | |
| 217 | Canadian Tuberculosis Association | 20,250 00 | |
| 218 | Victorian Order of Nurses | 13,100 00 | |
| 219 | St. John Ambulance Association | 4,050 00 | |
| 220 | Canadian Red Cross Society | 10,000 00 | |
| | | | 4,357,814 00 |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | **NATIONAL REVENUE** | | |
| | CUSTOMS AND EXCISE DIVISIONS | | |
| 221 | General Administration, and notwithstanding the provisions of the Customs Act and the Excise Act, to authorize the fund as described in, and to be administered in accordance with, the provisions of P.C. 233/1601 of August 22nd, 1929, as amended | 996,175 00 | |
| 222 | Inspection, Investigation and Audit Services | 1,450,300 00 | |
| 223 | Preventive Service Undervaluation Unit | 57,325 00 | |
| 224 | Ports, Outports and Preventive Stations, including pay for overtime of officers, notwithstanding anything in the Civil Service Act, and temporary buildings and rentals | 8,083,610 00 | |
| | INCOME TAX DIVISION | | |
| 225 | General Administration, including authority to create positions and make appointments within the Division, notwithstanding anything contained in the Civil Service Act and the said positions and staff so appointed are hereby wholly excluded from the operation of the said Act | 888,073 00 | |
| 226 | Internal Inspection and Verification | 445,774 00 | |
| 227 | District Offices | 11,075,604 00 | |
| | GENERAL | | |
| 228 | Amount to be paid to the Department of Justice to be disbursed by and accounted for to it for Customs, Excise and Income Tax Secret Investigation Services | 15,000 00 | 23,011,861 00 |
| | **NATIONAL WAR SERVICES** | | |
| | (OTHER THAN WAR APPROPRIATIONS) | | |
| 229 | Canadian Travel Bureau Service | 77,950 00 | |
| 230 | National Film Board, including the Motion Picture Bureau | 810,965 00 | 888,915 00 |
| | **POST OFFICE** | | |
| 231 | Departmental Administration | 811,425 00 | |
| 232 | Post Offices, including salaries and other expenses of Headquarters and Staff Post Offices and supplies and equipment for Revenue Post Offices | 22,126,090 00 | |
| 233 | Inspection and Investigation | 953,750 00 | |
| 234 | Railway Mail Service | 14,651,279 00 | |
| 235 | Air and Land Mail Services | 19,862,725 00 | |
| 236 | Audit of Revenue, Money Order, Postal Note and Savings Bank Business; issue of Postage Stamps and Postal Notes | 1,876,181 00 | |
| | PENSIONS AND OTHER BENEFITS | | |
| 237 | To provide for the payment of compassionate allowances to employees injured while in the performance of their duties, or to other persons injured while performing duties in any way connected with the Postal Service, or in protecting His Majesty's mails, or to the dependents of such employees or other persons who may be killed while so engaged; payments to be made only on the specific authority of the Governor in Council | 5,000 00 | 60,286,450 00 |

## SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | PRIME MINISTER'S OFFICE | | |
| 238 | Salaries of Staff and Cost of Living Bonus and other Pay List Items | | 50,880 00 |
| | PRIVY COUNCIL OFFICE | | |
| 239 | General Administration | | 89,777 00 |
| | PUBLIC ARCHIVES | | |
| 240 | General Administration and Technical Services | | 132,377 00 |
| | PUBLIC PRINTING AND STATIONERY | | |
| 241 | Departmental Administration | 40,716 00 | |
| 242 | Printing, Binding and Distributing the Annual Statutes | 8,500 00 | |
| 243 | Canada Gazette | 29,969 00 | |
| 244 | Plant Equipment and Replacements | 20,000 00 | |
| 245 | Distribution of Official Documents | 51,202 00 | |
| 246 | Printing and Binding Official Publications for sale and distribution to Departments and the Public | 50,000 00 | |
| | | | 200,387 00 |
| | PUBLIC WORKS | | |
| 247 | Departmental Administration | 196,195 00 | |
| | CHIEF ARCHITECT'S BRANCH | | |
| 248 | Branch Administration | 223,725 00 | |
| 249 | Ottawa—Maintenance and Operation of Dominion Public Buildings and Grounds, including rents, repairs, furniture, heating, etc | 2,900,117 00 | |
| 250 | Maintenance and Operation of Dominion Public Buildings and Grounds, other than at Ottawa, including rents, repairs, furniture, heating, etc | 4,054,216 00 | |
| | Construction, Repairs and Improvements of Public Buildings | | |
| 251 | London, England—Purchase of Royal College of Physicians Building (Revote) | 900,000 00 | |
| | *Nova Scotia* | | |
| 252 | Canso Public Building—Reconstruction (Revote $48,000) | 55,000 00 | |
| | Halifax Federal Building—Pointing masonry, renewal of floors and painting (Revote $8,000) | 50,000 00 | |
| | *Maritime Provinces Generally* | | |
| 253 | Dominion Public Buildings—Improvements and repairs | 75,000 00 | |
| | *Quebec* | | |
| 254 | Dominion Public Buildings—Improvements and repairs | 170,000 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts |
| | PUBLIC WORKS—*Continued* | | |
| | CHIEF ARCHITECT'S BRANCH—*Concluded* | | |
| | Construction, Repairs and Improvements of Public Buildings—*Concluded* | | |
| | *Ontario* | | |
| 255 | Dominion Public Buildings—Improvements and repairs | 170,000 00 | |
| | London Public Building—Repointing masonry, painting and repairs (Revote $15,000) | 25,000 00 | |
| | Ottawa—Hydrogenation Laboratory for the Department of Mines and Resources (Revote) | 250,000 00 | |
| | Ottawa—Central Experimental Farm—Water tank and pump house, etc. (Revote $22,000) | 35,000 00 | |
| | *Manitoba* | | |
| 256 | Dominion Public Buildings—Improvements and repairs | 40,000 00 | |
| | *Saskatchewan* | | |
| 257 | Dominion Public Buildings—Improvements and repairs | 40,000 00 | |
| | *Alberta* | | |
| 258 | Dominion Public Buildings—Improvements and repairs | 30,000 00 | |
| | Edmonton—Postal Terminal (Revote) | 150,000 00 | |
| | *British Columbia* | | |
| 259 | Dominion Public Buildings—Improvements and repairs | 65,000 00 | |
| | *Generally* | | |
| 260 | Dominion Immigration Buildings—Repairs, improvements, etc | 35,000 00 | |
| 261 | Dominion Quarantine Stations—Maintenance and repairs | 15,000 00 | |
| 262 | Experimental Farms and Science Laboratories—Replacements, repairs and improvements to buildings | 130,000 00 | |
| 263 | Flags for Dominion Buildings | 8,000 00 | |
| 264 | Public Buildings Generally—Repairs, alterations, fittings and improvements | 125,000 00 | |
| 265 | Veterans' Hospitals—Repairs, improvements and alterations | 60,000 00 | |
| | CHIEF ENGINEER'S BRANCH | | |
| 266 | Branch Administration | 215,665 00 | |
| 267 | Engineering, including salaries of Engineers, Clerks, etc | 502,280 00 | |
| | Dredging | | |
| 268 | General Superintendence | 10,437 00 | |
| 269 | Maritime Provinces | 402,765 00 | |
| 270 | Ontario and Quebec | 295,695 00 | |
| 271 | Manitoba, Saskatchewan and Alberta | 169,160 00 | |
| 272 | British Columbia and Yukon | 267,180 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | PUBLIC WORKS—*Continued* | | |
| | CHIEF ENGINEER'S BRANCH—*Continued* | | |
| | Maintenance and Operation of Graving Docks, Locks and Dams, etc. | | |
| 273 | Champlain Graving Dock | 80,350 00 | |
| 274 | Esquimalt Graving Dock | 130,655 00 | |
| 275 | Lorne Graving Dock | 43,712 00 | |
| 276 | Selkirk—Repair Slip | 7,784 00 | |
| 277 | Locks and Dams | 97,550 00 | |
| 278 | Snagboats | 49,745 00 | |
| | Maintenance and Operation of Roads and Bridges | | |
| 279 | Burlington Channel Bridge | 27,200 00 | |
| 280 | Kingston, La Salle Causeway | 23,820 00 | |
| 281 | New Westminster Bridge | 36,025 00 | |
| 282 | Generally | 70,890 00 | |
| | Construction, Repairs and Improvements—Harbours and Rivers | | |
| | *Nova Scotia* | | |
| | Digby—Repairs to piers | 20,000 00 | |
| | Digby—Additional fire protection for piers and sheds (Revote) | 6,600 00 | |
| | L'Archeveque—Breakwater extension (Revote $12,000) | 23,000 00 | |
| | New Harbour—Breakwater repairs (Revote $3,000) | 18,000 00 | |
| 283 | Parrsboro Beach—Breakwater repairs | 65,000 00 | |
| | Spencer's Island—Wharf repairs (Revote) | 24,200 00 | |
| | Harbours and Rivers Generally—For maintenance of services, and for repairs and reconstruction due to extremely heavy storms during the Fall of 1944, no new works to be undertaken | 675,000 00 | |
| | *Prince Edward Island* | | |
| | Harbours and Rivers Generally—For maintenance of services | | |
| 284 | no new works to be undertaken | 64,000 00 | |
| | Summerside—Repairs to Railway Wharf (Revote $3,000) | 20,600 00 | |
| | *New Brunswick* | | |
| | Lord's Cove—Breakwater reconstruction | 24,100 00 | |
| | Shippigan Gully—Breakwater repairs (Revote $48,700) | 56,000 00 | |
| 285 | Harbours and Rivers Generally—For maintenance of services no new works to be undertaken | 130,000 00 | |
| | *Quebec* | | |
| | Bagotville—Wharf reconstruction | 25,000 00 | |
| | Manicouagan (Baie Comeau)—Wharf improvements (Revote $15,000) | 17,000 00 | |
| 286 | Montmagny—Wharf reconstruction (Revote $21,350) | 23,000 00 | |
| | Pointe au Pere—Wharf reconstruction | 72,000 00 | |
| | Harbours and Rivers Generally—For maintenance of services, no new works to be undertaken | 345,000 00 | |
| | *Ontario* | | |
| | Cobourg—Breakwater reconstruction | 65,000 00 | |
| | Rondeau—Replacement of Harbour protection (Revote) | 15,000 00 | |
| 287 | Harbours and Rivers Generally—For maintenance of services, no new works to be undertaken | 210,000 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | PUBLIC WORKS—*Concluded* | | |
| | CHIEF ENGINEER'S BRANCH—*Concluded* | | |
| | Construction, Repairs and Improvements—Harbours and Rivers—*Concluded* | | |
| | *Manitoba* | | |
| 288 | Hnausa—Wharf reconstruction | 25,000 00 | |
| | Harbours and Rivers Generally—For maintenance of services, no new works to be undertaken | 40,000 00 | |
| | *Saskatchewan, Alberta and Northwest Territories* | | |
| 289 | Fort Norman—Wharf | 7,600 00 | |
| | Waterways—Wharf | 10,000 00 | |
| | Yellowknife—Improvements to navigation (Revote $5,450) | 7,200 00 | |
| | Harbours and Rivers Generally—For maintenance of services, no new works to be undertaken | 25,000 00 | |
| | *British Columbia and Yukon* | | |
| 290 | New Massett—Wharf reconstruction (Revote $47,700) | 62,000 00 | |
| | Port Alberni Assembly Wharf—Construction of shed (Revote) | 20,000 00 | |
| | Stewart—Wharf repairs (Revote) | 32,000 00 | |
| | Westview—Harbour improvements (Revote $95,000) | 231,000 00 | |
| | Harbours and Rivers Generally—For maintenance of services, no new works to be undertaken | 216,000 00 | |
| | TELEGRAPH BRANCH | | |
| 291 | Branch Administration | 27,750 00 | |
| 292 | Telephone service at Ottawa | 100,000 00 | |
| | Telegraph and Telephone Services, Operation and Maintenance | | |
| 293 | Land and Cable Telegraph Lines—Lower St. Lawrence and Maritime Provinces, including working expenses of vessels for cable work | 161,000 00 | |
| 294 | Alberta and Saskatchewan | 120,500 00 | |
| 295 | Division Superintendent's Office, Vancouver | 17,500 00 | |
| 296 | British Columbia—Northern and Yukon Districts | 149,000 00 | |
| 297 | British Columbia—Vancouver Island District | 121,000 00 | |
| 298 | Telegraph and Telephone Services Generally | 5,000 00 | |
| | Reconstruction, Repairs and Improvements | | |
| 299 | Maritime Provinces and Lower St. Lawrence | 12,000 00 | |
| 300 | Saskatchewan and Alberta | 12,000 00 | |
| 301 | British Columbia—Northern and Yukon Districts | 17,000 00 | |
| 302 | British Columbia—Vancouver Island District | 9,000 00 | |
| | GENERAL | | |
| 303 | National Gallery of Canada | 67,405 00 | |
| 304 | Miscellaneous works not otherwise provided for, not more than $3,000 to be expended upon any one work | 25,000 00 | |
| 305 | To supplement, on approval of Treasury Board, except where less than $200 is required, any of the appropriations of the Department of Public Works | 100,000 00 | |
| 306 | To provide for balances required to complete any projects undertaken in previous fiscal years and for which no specific provision is made in the fiscal year 1945-46 | 20,000 00 | |
| 307 | Telephone service other than at Ottawa | 8,000 00 | |
| | | | 15,779,621 00 |

## SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | **RECONSTRUCTION** | | |
| 308 | Departmental Administration, including expenses incidental to organization | 1,500,000 00 | |
| | **National Research Council** | | |
| 309 | Salaries and other expenses of the National Research Council | 1,200,448 00 | |
| 310 | Expanded Research on the Utilization of Farm Crops (Revote $175,000) | 320,000 00 | |
| 311 | Grant to the Royal Society of Canada | 4,500 00 | |
| | | | 3,024,948 00 |
| | **ROYAL CANADIAN MOUNTED POLICE** | | |
| 312 | General Administration | 264,261 00 | |
| 313 | Land Services—Arising out of the Royal Canadian Mounted Police Act, enforcement of Federal Statutes generally, and other incidental expenses | 6,984,147 40 | |
| 314 | Grant to the Chief Constables' Association of Canada | 500 00 | |
| | **Pensions and Other Benefits** | | |
| 315 | To compensate members of the Royal Canadian Mounted Police for injuries received in the performance of duty | 11,749 16 | |
| 316 | Pensions to families of members of the Mounted Police who have lost their lives while on duty:— | | |
| | Mrs. Mary Emma Bossange | 456 25 | |
| | Mrs. Margaret Johnson Brooke | 821 25 | |
| | Mrs. Margaret Cox | 410 63 | |
| | Mrs. Georgina Harrison | 676 50 | |
| | Mrs. Letitia Kennedy | 423 50 | |
| | Mrs. Nora Jean Massan | 300 00 | |
| | Mrs. Mary Miller | 667 38 | |
| | Mrs. Margaret Nicholson | 547 50 | |
| | Mrs. Catherine Mildred Ralls | 675 25 | |
| | Mrs. Vera M. Ryder | 907 50 | |
| | Mrs. Doris Freda Sampson | 816 00 | |
| | Mrs. Amy Lillian Searle | 406 98 | |
| | Mrs. Madelaine Mary Shoebotham | 810 00 | |
| | Mrs. Eunice Wainwright | 602 50 | |
| 317 | Pension to Basil Burke Currie | 684 20 | |
| | | | 7,269,863 00 |
| | **SECRETARY OF STATE** | | |
| 318 | Departmental Administration | 99,050 00 | |
| 319 | Naturalization Branch | 65,655 00 | |
| 320 | Companies Branch | 43,095 00 | |
| 321 | Trade Marks Branch | 37,435 00 | |
| 322 | Bureau for Translations | 423,870 00 | |
| 323 | Canada Temperance Act | 1,500 00 | |
| 324 | Bankruptcy Act Administration | 31,700 00 | |
| | **Patent and Copyright Office** | | |
| 325 | Administration Division | 35,375 00 | |
| 326 | Patent Division | 138,190 00 | |
| 327 | Copyright and Industrial Designs Division | 12,250 00 | |
| 328 | Patent Record Division | 42,505 00 | |
| 329 | Contribution to the International Office for the Protection of Industrial Property, International Copyright Union Office and Union for the Protection of Literary and Artistic Works | 2,000 00 | |
| | | | 932,625 00 |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | **TRADE AND COMMERCE** | | |
| 330 | Departmental Administration | 167,000 00 | |
| 331 | Commercial Intelligence Service | 1,156,465 00 | |
| 332 | Electricity and Gas Inspection Services, including Administration of the Electricity and Fluid Exportation Act | 279,025 00 | |
| 333 | Foreign Tariffs Division | 26,830 00 | |
| 334 | Precious Metals Marking Act | 12,749 00 | |
| 335 | Publicity and Advertising in Canada and Abroad | 152,140 00 | |
| 336 | Weights and Measures Inspection Service | 430,343 00 | |
| 337 | Exhibitions | 91,622 00 | |
| | **Dominion Bureau of Statistics** | | |
| 338 | Administration | 111,635 00 | |
| 339 | Statistics, including contribution of $2,530 to the Inter-American Statistical Institute | 1,608,600 00 | |
| 340 | Census of Population | 371,700 00 | |
| | **Wheat and Grain Division** | | |
| 341 | Administration | 9,205 00 | |
| | **Mail Subsidies and Steamship Subventions** | | |
| 342 | Administration | 14,243 00 | |
| | *Atlantic Ocean* | | |
| 343 | Canada and South Africa, service between | 100,000 00 | |
| | *Western Local Services* | | |
| 344 | Prince Rupert, B.C., and Queen Charlotte Islands, service between | 22,000 00 | |
| | Vancouver and Northern ports of British Columbia, service between | 15,000 00 | |
| | Victoria, Vancouver, way ports and Skagway, service between | 10,000 00 | |
| | Victoria and West Coast Vancouver Island, service between | 10,000 00 | |
| | *Eastern Local Services* | | |
| 345 | Baddeck and Iona, service between | 12,000 00 | |
| | Chester and Tancook Island, winter service between | 2,400 00 | |
| | Grand Manan and Mainland, service between | 33,000 00 | |
| | Halifax, Canso and Guysboro, service between | 10,000 00 | |
| | Halifax, LaHave and LaHave River ports, service between | 3,000 00 | |
| | Halifax, Sherbrooke, Spry Bay and Tor Bay, service between | 6,500 00 | |
| | Halifax, South Cape Breton, Bras d'Or Lake Ports and Bay St. Lawrence, service between | 7,500 00 | |
| | Halifax and ports on West Coast of Cape Breton, service between | 6,000 00 | |
| | Ile-aux-Coudres and Les Eboulements, service between | 3,500 00 | |
| | Mulgrave and Arichat, service between | 25,000 00 | |
| | Mulgrave and Canso, service between | 37,000 00 | |
| | Mulgrave and Guysboro, calling at intermediate ports, service between | 14,000 00 | |
| | Murray Bay and North Shore of the St. Lawrence, winter service between | 50,000 00 | |
| | Owen Sound and ports on Manitoulin Island and Georgian Bay, service between | 35,000 00 | |
| | Pelee Island and the Mainland, service between | 11,000 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | TRADE AND COMMERCE—*Concluded* | | |
| | MAIL SUBSIDIES AND STEAMSHIP SUBVENTIONS—*Concluded* | | |
| | *Eastern Local Services*—Concluded | | |
| | Pictou, Mulgrave and Cheticamp, service between | 11,000 00 | |
| | Pictou, Souris and Magdalen Islands, service between | 60,000 00 | |
| | Prescott, Ontario, and Ogdensburg, New York, service between | 11,640 00 | |
| | Prince Edward Island and Newfoundland, service between | 17,500 00 | |
| | Prince Edward Island and Nova Scotia, service between | 37,000 00 | |
| | Quebec, Natashquan and Harrington, service between | 127,500 00 | |
| | Quebec or Montreal and Gaspe, calling at way ports, service between | 90,000 00 | |
| 345 | Rimouski and Matane and points on the North Shore of the St. Lawrence, service between | 75,000 00 | |
| | Riviere-du-Loup and St. Simeon and/or Tadoussac, service between | 21,000 00 | |
| | Saint John and Minas Basin ports, service between | 5,000 00 | |
| | Saint John, Westport and Yarmouth and other way ports, service between | 13,500 00 | |
| | Sydney and Bay St. Lawrence, calling at way ports, service between | 25,000 00 | |
| | Sydney and Bras d'Or Lake ports, West Coast of Cape Breton, and Prince Edward Island, service between | 22,500 00 | |
| | Sydney and Whycocomagh, calling at way ports, service between | 18,000 00 | |
| | CANADA GRAIN ACT | | |
| 346 | Administration | 101,834,00 | |
| 347 | Operation and Maintenance, including Inspection and Weighing, Registration, etc | 1,820,047 00 | |
| 348 | Canadian Government Elevators, including equipment | 429,991,00 | |
| | | | 7,730,969 00 |
| | TRANSPORT | | |
| 349 | Departmental Administration | 434,101 00 | |
| | ADMINISTRATION OF THE TRANSPORT ACT | | |
| 350 | Board of Transport Commissioners for Canada—Administration, maintenance and operation | 288,040 00 | |
| | CANALS SERVICE | | |
| 351 | Canals Service—Administration | 44,710 00 | |
| 352 | Canals—Operation and Maintenance | 2,587,700 00 | |
| 353 | Canals Improvements (Revote $45,700) | 176,000 00 | |
| 354 | To provide for expenses in connection with St. Lawrence Ship Canal Surveys and Investigations | 5,000 00 | |
| 355 | To provide for the carrying out of flow measurements and other expenses connected with the Department's supervision and control over the Hydro-Electric Power Development of the Beauharnois Light, Heat and Power Company Limited | 2,500 00 | |
| | MARINE SERVICE | | |
| 356 | Marine Service Administration | 15,542 00 | |
| 357 | Administration of Floating Equipment | 26,175 00 | |
| 358 | Nautical Service Administration | 30,060 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | TRANSPORT—*Continued* | | |
| | MARINE SERVICE—*Concluded* | | |
| 359 | Marine Service Steamers, including Icebreakers—Maintenance, Operation and Repairs | 1,648,500 00 | |
| 360 | Construction, Maintenance and Supervision of Aids to Navigation, including salaries and allowances to Lightkeepers | 2,043,400 00 | |
| 361 | Agencies—Salaries and Office expenses | 292,305 00 | |
| 362 | Maintenance and repairs to Wharves | 5,000 00 | |
| 363 | To provide for breaking ice in Thunder Bay, Lake Superior, and other points deemed advisable in the interests of navigation | 30,000 00 | |
| 364 | Administration of Pilotage | 161,950 00 | |
| 365 | Life Saving Service, including rewards for saving life | 44,250 00 | |
| 366 | To provide subsidies for wrecking plants—Quebec and British Columbia | 45,000 00 | |
| 367 | Grants of $200 each to the Royal Arthur Sailors' Institutes at Port Arthur, Kingston and Toronto, which provide for medical assistance to and hospitalization for distressed seamen on the Great Lakes | 600 00 | |
| 368 | Miscellaneous Services relating to Navigation and Shipping, including grants towards schools of navigation at Queen's University $500, Vancouver, B.C., $1,500 and provision to settle claims by the Board of Trade, London, England, for expenses incurred in respect of Canadian distressed seamen of British ships registered out of Canada | 56,039 00 | |
| 369 | Steamship Inspection and the carrying out of the provisions of the conventions for the safety of life at sea and load lines | 248,410 00 | |
| 370 | Marine Signal Service | 96,265 00 | |
| 371 | River St. Lawrence Ship Channel—Contract Dredging in the St. Lawrence River and Montreal Harbour, including cost of administration—Capital | 989,500 00 | |
| 372 | River St. Lawrence Ship Channel—Administration and Operation | 218,380 00 | |
| | RAILWAY SERVICE | | |
| 373 | Repairs and expenses in connection with the operation and maintenance of Official Railway Cars under the jurisdiction of the Department | 42,000 00 | |
| 374 | Hudson Bay Railway—Construction and Improvements—Capital | 20,000 00 | |
| 375 | Hudson Bay Railway—To provide for the difference between the expenditures for operation and maintenance, and revenue accruing from operations during the year ending March 31, 1946, not exceeding | 500,000 00 | |
| 376 | To provide for the construction of an Icebreaker—railway car—highway vehicle-passenger ferry vessel for the Prince Edward Island Car Ferry Service estimated to cost $4,500,000. Amount required for 1945-46 (Revote $875,000)—Capital | 2,342,500 00 | |
| | Maritime Freight Rates Act— | | |
| 377 | To hereby authorize and provide for the payment from time to time during the fiscal year 1945-46 to the Canadian National Railway Company of the difference (estimated by Canadian National Railway Company and certified by the Auditors of the said Company to the Minister of Transport as and when required by the said Minister) occurring on account of the application of the Maritime Freight Rates Act, between the tariff tolls and the normal tolls (upon the same basis as set out in Section 9 of the said Act with respect to companies therein referred to) on all traffic moved during the calendar year 1945 under the tariffs approved on the Eastern Lines (as referred to in Section 2 of the said Act) of the Canadian National Railways | 3,500,000 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | TRANSPORT—*Continued* | $ cts. | $ cts. |
| | RAILWAY SERVICE—*Concluded* | | |
| 378 | Amount required to provide for payment from time to time during the fiscal year 1945-46 of the difference (estimated by the Board of Transport Commissioners for Canada and certified by the said Board to the Minister of Transport, as and when required by the said Minister) occurring on account of the application of the Maritime Freight Rates Act, between the tariff tolls and the normal toll (referred to in Sectio 9 of the said Act) on all traffic moved during the calendar year 1945 under the tariffs approved by the following companies: Canada and Gulf Terminal Railway; Canadian Pacific Railway, including: Fredericton and Grand Lake Coal and Railway Company, and New Brunswic Coal and Railway Company; Cumberland Railway and C al Company; Dominion Atlantic Railway; Maritime Coal, Railway and Power Company; Sydney and Louisburg Railway; Temiscouata Railway Company..... | 900,000 00 | |
| | GOVERNMENT EMPLOYEES' COMPENSATION | | |
| 379 | Administration of the Government Employees' Compensation Act..... | 28,190 00 | |
| | PENSIONS AND OTHER BENEFITS | | |
| 380 | Compassionate allowance to recoup the Workmen's Compensation Board of British Columbia in continuation of a pension granted and to be paid by that Board up to the 31st March, 1946, in the sum of $40.00 per month, to the widow of the late E. J. McCoskrie, who was formerly employed as Port Warden at Prince Rupert, B.C., and who was killed while in the performance of his duties..... | 480 00 | |
| 381 | Amount required to pay pensions of $300.00 each to former pilots: Alphonse Asselin, Joseph Pouliot, Raoul Lachance, Jules Asselin, Arthur Paquet, Adelard Delisle, George Larochelle and Wilhelm Langlois..... | 2,400 00 | |
| 382 | Railway Employees' Provident Fund—To supplement pension allowances under the provisions of the Inter-colonial and Prince Edward Island Railway Employees' Provident Fund Act so as to make the minimum payment during the period January 1, 1945, to March 31, 1946, the sum of $30.00 per month instead of $20.00 as fixed by the said Act..... | 22,000 00 | |
| | SPECIAL | | |
| | *Railway Service* | | |
| 383 | To provide for the discharge of commitments incurred prior to March 31, 1945, under authority of Vote No. 393 Schedule "A" to the appropriation Act No. 5, 1944, respecting Highway Crossings of Railways—(Revote)..... | 6,300 00 | |
| | AIR SERVICE | | |
| | (Control and supervision vested in the Minister of Reconstruction by Orders in Council P.C. 7995 of 13th October, 1944 and 8207 of 24th October, 1944). | | |
| 384 | Air Transport Board—Salaries and Office Expenses..... | 188,290 00 | |
| 385 | Air Service Administration..... | 11,370 00 | |
| | *Civil Aviation Division* | | |
| 386 | Control of Civil Aviation, including the Administration of the Aeronautics Act and Regulations issued hereunder..... | 304,000 00 | |
| 387 | Airways and Airports—<br>Construction and Improvements, including Lighting and Radio Facilities—<br>(Revote $323,500) Capital..... | 2,400,000 00 | |

# SCHEDULE A—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | TRANSPORT—*Concluded* | | |
| | AIR SERVICE—*Concluded* | | |
| | *Civil Aviation Division*—Concluded | | |
| | Airways and Airports—Operation and Maintenance— | | |
| 388 | Civil Aviation Services | 995,095 00 | |
| 389 | Radio Aviation Services | 1,000,000 00 | |
| 390 | Meteorological Aviation Services | 505,200 00 | |
| 391 | Grants for advanced aeronautical instruction and to Aeroplane Clubs, including grant of $5,000 to the Canadian Flying Clubs Association | 33,000 00 | |
| | *Meteorological Division* | | |
| 392 | Meteorological Service | 412,000 00 | |
| 393 | Grant to Kingston Observatory | 500 00 | |
| | *Radio Division* | | |
| 394 | Administration of the Radiotelegraph Act and Regulations | 151,255 00 | |
| 395 | Radio Direction Finding Stations, Radio Beacons and Radiotelegraph Stations, operation and maintenance | 748,375 00 | |
| 396 | Suppression of Local Electrical Interferences | 164,000 00 | |
| 397 | Issue of Radio Receiving Licences—(Transport Department only) | 216,975 00 | |
| | | | 23,983,357 00 |
| | VETERANS AFFAIRS | | |
| 398 | Departmental Administration | 835,856 00 | |
| 399 | District Administration | 1,615,822 00 | |
| 400 | Rehabilitation Services | 4,741,431 00 | |
| 401 | Treatment Services | 11,066,516 00 | |
| 402 | Prosthetic Services | 420,546 00 | |
| | Canadian Pension Commission— | | |
| 403 | Administration Expenses | 948,079 00 | |
| 404 | Veterans' Bureau | 224,137 00 | |
| 405 | War Veterans' Allowance Board—Administration | 191,577 00 | |
| 406 | Veterans Insurance | 100,861 00 | |
| | PAYMENTS TO OR FOR VETERANS AND DEPENDENTS | | |
| 407 | European War Pensions | 37,000,000 00 | |
| 408 | War Veterans' Allowances | 11,000,000 00 | |
| 409 | Unemployment Assistance | 100,000 00 | |
| 410 | Hospital and Other Allowances | 650,000 00 | |
| 411 | Decoration Awards | 50,000 00 | |
| 412 | Widows' Compassionate Allowances | 1,000,000 00 | |
| 413 | Compassionate Allowances—Orphaned Dependent Children | 5,000 00 | |
| 414 | Employers' Liability Compensation | 75,000 00 | |
| 415 | Pensions, North West Rebellion, 1885 and General | 16,000 00 | |
| | MISCELLANEOUS GRANTS | | |
| 416 | Grant to Last Post Fund | 100,000 00 | |
| 417 | Grant to Canadian Legion | 9,000 00 | |
| | SOLDIER SETTLEMENT AND VETERANS LAND ACT | | |
| 418 | Administration of Soldier Settlement, British Family Settlement, General Land Settlement and Veterans Land Act | 2,207,310 00 | |
| 419 | Payment to the Government of the United Kingdom on account of losses under the 3,000 British Family Agreement of August 20, 1924, and the New Brunswick 500 British Family Agreements of August 4, 1927, and August 27, 1935 | 25,000 00 | |
| | | | 72,382,135 00 |

# SCHEDULE A—*Concluded*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | GOVERNMENT-OWNED ENTERPRISES | | |
| | NON-ACTIVE ACCOUNTS | | |
| | NATIONAL HARBOURS BOARD | | |
| 420 | Advances to National Harbours Board, subject to the provisions of Section 29 of the National Harbours Board Act to meet expenditures applicable to the calendar year 1945 on any or all of the following accounts:<br>Reconstruction and Capital Expenditures—<br>Generally—Unforeseen and Miscellaneous..... | 200,000 00 | |
| | SPECIAL | | |
| | DEFICITS | | |
| | PRINCE EDWARD ISLAND CAR FERRY AND TERMINALS | | |
| 421 | Amount required to provide for the payment during the fiscal year 1945-46 to the Canadian National Railway Company (hereinafter called the National Company) upon applications approved by the Minister of Transport, made from time to time by the National Company to the Minister of Finance and to be applied by the National Company in payment of the deficit (certified by the auditors of the National Company) in the operation of the Prince Edward Island Car Ferry and Terminals arising in the calendar year 1945..... | 713,000 00 | |
| | NATIONAL HARBOURS BOARD | | |
| 422 | To provide for payment to National Harbours Board, of the amount hereinafter set forth, to be applied in payment of the deficit (exclusive of interest on Dominion Government advances and depreciation on capital structures) arising in the calendar year 1945, in the operation of Churchill Harbour..... | 90,000 00 | |
| 423 | Advances to National Harbours Board with interest at a rate to be fixed by the Governor in Council for such period and upon such terms and conditions as the Governor in Council may determine to be applied in payment of deficits resulting from the operations of the Jacques Cartier Bridge.. | 390,863 00 | |
| | | | 1,393,863 00 |
| | LOANS AND INVESTMENTS | | |
| | FINANCE | | |
| | HOUSING BRANCH | | |
| 424 | To provide for payment of any amounts owing in respect of advances for the construction of houses agreed to be made by the Minister of Finance pursuant to Item 412 of Schedule A to the Appropriation Act, No. 5, 1944 (and pursuant to corresponding items in previous Appropriation Acts) to an amount not exceeding..... | 1,000,000 00 | |
| | SOLDIER SETTLEMENT AND VETERANS' LAND ACT | | |
| 425 | To provide for protection of security—Soldier Settlement..... | 90,000 00 | |
| 426 | To provide for purchase of land and improvements; cost of permanent improvements to be effected; removal of encumbrances; stock and equipment; and for protection of security under the Veteran's Land Act..... | 55,000,000 00 | |
| | | | 56,090,000 00 |
| | Total..... | | *357,228,001 42 |

* Net total, $117,775,292.34.

# SCHEDULE B

Based on the Supplementary Estimates, 1945-46. The amount hereby granted is $21,931,048.00, being the amount of the items in the said Estimates as contained in this Schedule.

Sum granted to His Majesty by this Act for the financial year ending 31st March, 1946, and all the purposes for which it is granted.

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | AGRICULTURE | | |
| | ADMINISTRATION SERVICE | | |
| 427 | Publicity and Extension Service—Further amount required.... | 32,000 00 | |
| | SCIENCE SERVICE | | |
| 428 | Science Service Administration—Further amount required..... | 4,276 00 | |
| 429 | Animal and Poultry Pathology—Further amount required..... | 15,865 00 | |
| 430 | Bacteriology and Dairy Research—Further amount required.. | 5,060 00 | |
| 431 | Botany and Plant Pathology—Further amount required..... | 75,988 00 | |
| 432 | Agricultural Chemistry—Further amount required..... | 16,818 00 | |
| 433 | Entomology—Further amount required..... | 127,548 00 | |
| 434 | Plant Protection—Further amount required..... | 13,171 00 | |
| | EXPERIMENTAL FARMS SERVICE | | |
| 435 | Experimental Farms Service Administration—Further amount required..... | 1,800 00 | |
| 436 | Central Experimental Farm—Further amount required..... | 92,733 00 | |
| 437 | Branch Farms and Stations and Illustration Stations—Further amount required..... | 399,212 00 | |
| | PRODUCTION SERVICE | | |
| 438 | Health of Animals—To provide for payment of compensation to owners of animals affected with diseases coming under the operation of the Animal Contagious Diseases Act, which have died or have been slaughtered under circumstances unprovided for under the above Act and Regulations thereunder, in the amounts detailed in the Estimates..... | 348 00 | |
| 439 | Plant Products—Seeds, Feeds, Fertilizers, Insecticides and Fungicides Control—Further amount required..... | 17,300 00 | |
| | MARKETING SERVICE | | |
| 440 | Agricultural Economics—Further amount required..... | 14,900 00 | |
| 441 | Dairy Products—Further amount required..... | 22,000 00 | |
| 442 | Subsidies for Cold Storage Warehouses, under the Cold Storage Act, and Grants, in the amounts detailed in the Estimates—Further amount required..... | 500,000 00 | |
| 443 | Live Stock and Live Stock Products—Further amount required | 10,000 00 | |
| | SPECIAL | | |
| 444 | Prairie Farm Rehabilitation Act and Water Storage—Further amount required..... (An amount of $500,000 is available in the Appropriation for Reconstruction for the St. Mary and Milk Rivers Water Development Project.) | 350,000 00 | |
| 445 | Prairie Farm Assistance Act—Administration—Further amount required..... | 105,000 00 | |
| 446 | Science Service—To provide for eradication measures in connection with an outbreak of the European Elm Disease.... | 43,700 00 | 1,847,719 00 |

## SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | EXTERNAL AFFAIRS | | |
| 447 | Departmental Administration—Further amount required | 96,000 00 | |
| 448 | Representation Abroad, including salaries of High Commissioners, Ambassadors, Ministers Plenipotentiary, Consuls, Secretaries and Staff, notwithstanding anything to the contrary in the Civil Service Act or any of its amendments—Further amount required | 309,040 00 | |
| 449 | Canada-United States Permanent Joint Board on Defence | 2,500 00 | |
| | CANADA'S CONTRIBUTIONS TO THE MAINTENANCE OF EXTERNAL ORGANIZATIONS | | |
| | Provisional International Civil Aviation Organization— | | |
| 450 | Administration Expenses | 15,000 00 | |
| 451 | Expenses of preparatory meeting at Montreal | 20,000 00 | |
| 452 | Government's contribution for period ending June 30, 1946 | 59,580 00 | |
| | Food and Agricultural Organization of the United Nations— | | |
| 453 | Expenses of Canadian Delegation | 15,000 00 | |
| 454 | Canadian contribution for period ending June 30, 1946 | 126,500 00 | |
| 455 | Expenses of the Intergovernmental Committee on Refugees—Further amount required | 9,000 00 | |
| 456 | Portion of expenses of the International Commission for Air Navigation | 2,100 00 | |
| | | | 654,720 00 |
| | FINANCE | | |
| 457 | Departmental Administration—Further amount required | 20,000 00 | |
| 458 | Royal Canadian Mint, including the Dominion of Canada Assay Office—Further amount required | 47,245 00 | |
| | HOUSING BRANCH | | |
| 459 | Administration, National Housing Act and Home Improvement Loans—Further amount required | 53,000 00 | |
| | GENERAL | | |
| 460 | To provide for the expenses of the Comptroller of the Treasury's Office—Further amount required | 260,000 00 | |
| | | | 380,245 00 |
| | FISHERIES | | |
| 461 | Fisheries Inspection, including Fishery Officers and Guardians, Fisheries Patrol and Protection Services—Further amount required | 512,000 00 | |
| 462 | Building Fishways and Clearing Rivers—Further amount required | 8,000 00 | |
| 463 | Educational Extension Service—Further amount required | 45,000 00 | |
| 464 | Fisheries Research Board of Canada—Further amount required | 54,500 00 | |
| 465 | To provide for the payment of a bounty for the destruction of Harbour Seals—Further amount required | 15,000 00 | |
| | SPECIAL | | |
| 466 | To provide for the construction of a vessel of particular design for experimental fishing for herring and mackerel | 100,000 00 | |
| | | | 734,500 00 |

## SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | JUSTICE | | |
| 467 | Departmental Administration—Further amount required..... | 11,950 00 | |
| 468 | Combines Investigation Act, Administration—Further amount required..... | 32,000 00 | |
| 469 | Supreme Court of Canada, Administration—Further amount required..... | 1,500 00 | |
| 470 | Exchequer Court of Canada, Administration—Further amount required..... | 3,000 00 | |
| | PENITENTIARIES BRANCH | | |
| 471 | Operation and maintenance of penitentiaries, including administration, construction, purchase of land, supplies, equipment and livestock; maintenance, discharge and transfer of convicts; compensation to discharged convicts permanently disabled while in penitentiaries—Further amount required. | 237,770 00 | |
| | | | 286,220 00 |
| | LABOUR | | |
| 472 | Departmental Administration—Further amount required..... | 117,903 00 | |
| 473 | Annuities Act Administration—Further amount required..... | 48,165 00 | |
| 474 | Fair Wages, Conciliation and Industrial Disputes Investigations —Further amount required..... | 8,916 00 | |
| 475 | International Labour Conference—Further amount required.... | 22,000 00 | |
| 476 | Labour Gazette and Other Publications authorized by Labour Department Act—Further amount required..... | 7,582 00 | |
| | UNEMPLOYMENT INSURANCE ACT, 1940 | | |
| 477 | Administration—Further amount required..... | 113,500 00 | |
| | SPECIAL | | |
| 478 | To authorize and to provide for Dominion share of settlement of a disputed claim with the Province of Ontario *re* fraudulent relief vouchers from the Town of Burlington..... | 566 66 | |
| | | | 318,632 66 |
| | LEGISLATION | | |
| | THE SENATE | | |
| 479 | To provide for the payment of the full sessional indemnity for the session of 1945 to members of the Senate for days lost through absence caused by public business, by illness, or on account of death. Payment to be made as the Treasury Board may direct..... | 6,000 00 | |
| 480 | To provide an amount for technical and clerical assistance in connection with research preparatory to and in connection with work of Senate Committees, and to authorize employment of such technical and clerical assistance for such periods as may be required, and at such rates of pay as may be approved by the Treasury Board..... | 10,000 00 | |
| | HOUSE OF COMMONS | | |
| 481 | General Administration—Estimates of the Clerk—Further amount required..... | 5,520 00 | |
| 482 | Estimates of the Sergeant-at-Arms—Further amount required. | 1,545 00 | |
| 483 | To provide for the full sessional indemnity to Members of the House of Commons—days lost through absence caused by illness, official public business, or Order of the House, or on account of death during the present session—notwithstanding anything to the contrary in Chapter 147 of the Revised Statutes, 1927, An Act respecting the Senate and House of Commons, or any amendment thereto. Payments to be made as the Treasury Board may direct..... | 15,000 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | LEGISLATION—*Concluded* | | |
| | GENERAL | | |
| 484 | Printing of Parliament, including salaries of staff of the Joint Distribution Office—Further amount required | 510 00 | |
| | | | 38,575 00 |
| | MINES AND RESOURCES | | |
| | MINES AND GEOLOGY BRANCH | | |
| | Bureau of Mines— | | |
| 485 | Mineral Resources Investigations—Further amount required | 10,252 00 | |
| | Bureau of Geology and Topography— | | |
| 486 | Bureau of Geology and Topography Administration and Miscellaneous Services—Further amount required | 2,400 00 | |
| 487 | Geological Surveys—Further amount required | 2,310 00 | |
| 488 | Topographical Surveys, including expenses of the Geographic Board of Canada—Further amount required | 5,000 00 | |
| 489 | Drafting and Map Reproduction—Further amount required | 2,430 00 | |
| 490 | National Museum of Canada—Further amount required | 7,750 00 | |
| | LANDS, PARKS AND FORESTS BRANCH | | |
| | Government of the Northwest Territories— | | |
| 491 | Yellowknife Airport | 245,000 00 | |
| 492 | Buildings at Yellowknife and Fort Smith | 140,000 00 | |
| 493 | Forest Protection | 140,000 00 | |
| 494 | Medical and other facilities in the Mackenzie District | 28,800 00 | |
| | Government of the Yukon Territory— | | |
| 495 | Administration—Further amount required | 25,000 00 | |
| | Dominion Forest Service— | | |
| 496 | General Scientific, Economic and Administrative Services—Further amount required | 6,920 00 | |
| 497 | Forest Experiment Stations—Further amount required | 7,080 00 | |
| | National Parks Bureau— | | |
| 498 | National Parks and Historic Sites Services—Further amount required | 310,000 00 | |
| | SURVEYS AND ENGINEERING BRANCH | | |
| 499 | Dominion Astrophysical Observatory, Victoria, B.C.—Further amount required | 3,500 00 | |
| | Hydrographic and Map Service— | | |
| 500 | Hydrographic Service—To provide for the repair and renovation of Hydrographic Steamer, *Wm. J. Stewart* (Revote) | 10,000 00 | |
| 501 | To provide for supplies and shore maintenance for Hydrographic Steamer *Acadia* | 5,000 00 | |
| 502 | To provide for supplies and shore maintenance for Hydrographic Steamer *Cartier* | 5,000 00 | |
| | INDIAN AFFAIRS BRANCH | | |
| 503 | Indian Agencies—Further amount required | 83,470 00 | |
| 504 | Reserves and Trusts—Administration—Further amount required | 363,428 00 | |
| 505 | Medical—Indian Hospitals and General Care of Indians—Further amount required | 101,000 00 | |
| | Welfare and Training— | | |
| 506 | Welfare of Indians—Further amount required | 10,135 00 | |
| 507 | Indian Education—Further amount required | 54,750 00 | |
| 508 | Grants to Agricultural Exhibitions and Indian Fairs, in the amount detailed in the Estimates—Further amount required | 400 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | MINES AND RESOURCES—*Concluded* | | |
| | SPECIAL | | |
| 509 | Lands, Parks and Forests Branch, National Parks Bureau—National Parks and Historic Sites Services | 50,000 00 | 1,619,625 00 |
| | NATIONAL DEFENCE | | |
| | (Other than War Appropriations) | | |
| | NORMAL SERVICES | | |
| 510 | Grants to Military Associations and Institutes, as detailed in the Estimates—Further amount required | | 250 00 |
| | NATIONAL HEALTH AND WELFARE | | |
| 511 | Departmental Administration—Further amount required | 36,397 00 | |
| | NATIONAL HEALTH BRANCH | | |
| 512 | Health Branch Administration, including contribution of $1,134 to the International Office of Public Health—Further amount required | 67,482 00 | |
| 513 | Food and Drugs—Further amount required | 14,520 00 | |
| 514 | Opium and Narcotic Drugs—Further amount required | 27,077 00 | |
| 515 | Proprietary or Patent Medicines—Further amount required | 760 00 | |
| 516 | Quarantine and Leprosy—Further amount required | 14,170 00 | |
| 517 | Laboratory of Hygiene—Further amount required | 81,465 00 | |
| 518 | Immigration Medical Inspection—Further amount required | 41,160 00 | |
| 519 | Child and Maternal Hygiene—Further amount required | 47,584 00 | |
| 520 | Public Health Engineerng—Further amount required | 4,805 00 | |
| 521 | Treatment of Sick Mariners—Further amount required | 2,831 00 | |
| 522 | Industrial Hygiene—Further amount required | 54,850 00 | |
| 523 | Medical Investigation Division—Further amount required | 11,943 00 | |
| 524 | Nutrition Service—Further amount required | 80,004 00 | |
| | Combating Veneral Diseases— | | |
| 525 | Administration—Further amount required | 23,400 00 | |
| 526 | Assistance to Provinces for control of veneral diseases under regulations approved by the Governor in Council—Further amount required | 33,300 00 | |
| 527 | Health Insurance Studies | 10,187 00 | |
| 528 | Dental Health Division | 15,403 00 | |
| 529 | Civil Service Health Division | 145,750 00 | |
| 530 | Hospital Design Division | 28,150 00 | |
| 531 | Mental Health Division | 16,232 00 | |
| 532 | Blindness Control Division | 10,520 00 | |
| 533 | Tuberculosis Control Division | 16,235 00 | |
| 534 | Food and Drugs Advertising Control Division | 13,000 00 | |
| | WELFARE BRANCH | | |
| | National Council on Physical Fitness— | | |
| 535 | Administration Expenses | 29,571 09 | |
| 536 | Financial Assistance to the Provinces under the National Fitness Act | 23,434 18 | |
| | NATIONAL FILM BOARD | | |
| 537 | National Film Board, including the Motion Picture Bureau—Further amount required | 335,000 00 | 1,185,230 27 |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | **NATIONAL REVENUE** | | |
| | CUSTOMS AND EXCISE DIVISIONS | | |
| 538 | Ports, Outports and Preventive Stations, including pay for overtime of officers, notwithstanding anything in the Civil Service Act, and temporary buildings and rentals—Further amount required | ..... | 278,800 00 |
| | **PUBLIC ARCHIVES** | | |
| 539 | General Administration and Technical Services—Further amount required | ..... | 3,500 00 |
| | **PUBLIC WORKS** | | |
| | CHIEF ARCHITECT'S BRANCH | | |
| 540 | Ottawa—Maintenance and Operation of Dominion Public Buildings and Grounds, including rents, repairs, furniture, heating, etc.—Further amount required | 394,900 00 | |
| 541 | Maintenance and Operation of Dominion Public Buildings and Grounds, other than at Ottawa, including rents, repairs, furniture, heating, etc.—Further amount required | 1,207,800 00 | |
| | Construction, Repairs and Improvements of Public Buildings | | |
| | *Nova Scotia* | | |
| 542 | Halifax Customs Building—Alterations and Elevator | 18,000 00 | |
| | Halifax Federal Building—Pointing masonry, renewal of floors and painting—Further amount required | 10,000 00 | |
| | Halifax—Office Building (Estimated Cost $420,000) | 50,000 00 | |
| | *New Brunswick* | | |
| 543 | Edmundston—Building for Customs (Estimated Cost $38,000) | 8,000 00 | |
| | Saint John—Office Building (Estimated Cost $350,000) | 50,000 00 | |
| | Saint John Post Office—Alterations and Improvements (Estimated Cost $40,300) | 8,000 00 | |
| | Sussex Public Building—Addition and Fittings (Estimated Cost $15,000) | 5,000 00 | |
| | *Prince Edward Island* | | |
| 544 | Summerside Public Building—Addition (Estimated Cost $30,000) | 7,000 00 | |
| | *Quebec* | | |
| 545 | Armstrong—Customs and Immigration Building (Estimated Cost $35,000) | 10,000 00 | |
| | Beauport—Repairs to Armoury (Estimated Cost $9,700) | 2,000 00 | |
| | Dorval Airport—Postal accommodation | 25,000 00 | |
| | Drummondville Public Building—Addition and alterations (Estimated Cost $22,000) | 8,000 00 | |
| | Jonquiere Public Building—Addition (Estimated Cost $6,500) | 3,000 00 | |
| | Lacolle—Building for Customs (Estimated Cost $33,000) | 10,000 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | PUBLIC WORKS—*Continued* | | |
| | CHIEF ARCHITECT'S BRANCH—*Continued* | | |
| | Construction, Repairs and Improvements of Public Buildings —*Continued* | | |
| | *Quebec*—Concluded | | |
| | Lac Megantic Public Building—Addition, alterations and improvements (Estimated Cost $19,000) | 7,000 00 | |
| | La Tuque Public Building—Alterations and extension (Estimated Cost $5,000) | 3,000 00 | |
| | Montreal Customs Examining Warehouse—Painting and redecorating old section of building | 31,000 00 | |
| 545 | Montreal Hochelaga Postal Station—Addition and painting (Estimated Cost $9,000) | 3,000 00 | |
| | Montreal Immigration Building—Alterations and improvements (Estimated Cost $34,000) | 20,000 00 | |
| | Montreal—Office Building (Estimated Cost $1,500,000) | 50,000 00 | |
| | Montreal Postal Station "S"—Addition, alterations and painting (Estimated Cost $12,500) | 4,000 00 | |
| | Montreal Postal Terminal—Parcel Storage System (Estimated Cost $50,000) | 5,000 00 | |
| | Quebec—Conversion of Drill Hall for Department of National Health and Welfare | 24,000 00 | |
| | St. Jerome Public Building—Addition and alterations (Estimated Cost $27,500) | 10,000 00 | |
| | St. Joseph d'Alma Public Building—Addition, retaining wall, fittings, etc. (Estimated Cost $19,000) | 8,000 00 | |
| | Three Rivers Public Building—Addition (Estimated Cost $100,000) | 5,000 00 | |
| | Valleyfield Public Building—Addition, alterations and fittings (Estimated Cost $60,000) | 10,000 00 | |
| | *Ontario* | | |
| | Barrie Public Building—Addition, alterations and fittings (Estimated Cost $13,000) | 8,000 00 | |
| | Belleville Public Building—Addition, alterations and fittings (Estimated Cost $42,000) | 12,000 00 | |
| | Bracebridge Public Building—Addition and alterations (Estimated Cost $14,000) | 5,000 00 | |
| | Fort William—Old Post Office Building—Alterations | 30,000 00 | |
| | Hamilton—Office Building (Estimated Cost $350,000) | 50 000 00 | |
| | Leamington Public Building—Addition, alterations and fittings (Estimated Cost $22,000) | 10,000 00 | |
| | Niagara Falls Public Building—Addition to site | 18,000 00 | |
| | Ottawa—Addition to Physical Metallurgy Laboratory (Estimated Cost $60,000) | 5,000 00 | |
| 546 | Ottawa—Central Heating Plant for Department of Mines and Resources Buildings on Booth St. (Revote) | 7,500 00 | |
| | Ottawa, East Block—Improvements (Estimated Cost $17,000) | 3,000 00 | |
| | Ottawa—Improvements to Wellington St. Property | 10,000 00 | |
| | Ottawa—Langevin Block—Improvements to lighting (Estimated Cost $80,000) | 30,000 00 | |
| | Ottawa—Postal Terminal Addition (Revote) | 24,000 00 | |
| | Ottawa—Printing Bureau—Installation of fire alarm system | 8,000 00 | |
| | Ottawa—Rideau Hall—Fire protection | 22,000 00 | |
| | Ottawa—New Supreme Court Building—Renovation, completion and furnishing (Estimated Cost $800,000) | 100,000 00 | |
| | Ottawa—Royal Canadian Mint—Renewal of Elevator and alterations to building (Estimated Cost $12,000) | 5,000 00 | |
| | Ottawa—Storage building for National Gallery | 20,000 00 | |
| | Ottawa—Storage building for National Film Board | 35,000 00 | |
| | Sarnia Public Building—Addition and Alterations, etc. (Estimated Cost $26,000) | 10,000 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | PUBLIC WORKS—*Continued* | | |
| | CHIEF ARCHITECT'S BRANCH—*Concluded* | | |
| | Construction, Repairs and Improvements of public Buildings —*Concluded* | | |
| | *Ontario*—Concluded | | |
| 546 | Sault Ste. Marie Public Building—Addition and alterations, etc. (Estimated Cost $26,000) | 10,000 00 | |
| | Toronto City Delivery Building—Restoration and Mechanical equipment (Estimated Cost $350,000) | 100,000 00 | |
| | Waterloo Public Building—Addition and Alterations, etc. (Estimated Cost $28,000) | 10,000 00 | |
| | Welland Public Building—Addition and fittings, etc. (Estimated Cost $50,000) | 10,000 00 | |
| | Woodstock Public Building—Addition and fittings, etc. (Estimated Cost $25,000) | 10,000 00 | |
| | *Saskatchewan* | | |
| 547 | North Battleford Public Building—Extension and alterations (Estimated Cost $6,500) | 2,000 00 | |
| | *Alberta* | | |
| 548 | Calgary—Office Building (Estimated Cost $350,000) | 50,000 00 | |
| | Edmonton—Purchase of "Redwood" Building for Department of Veterans Affairs | 95,000 00 | |
| | Lethbridge Public Building—Addition, etc. (Estimated Cost $16,000) | 5,000 00 | |
| | *British Columbia* | | |
| 549 | Vancouver Sea Island Airport—Accommodation for Post Office | 9,000 00 | |
| | Vancouver Winch Building—Improvements to lighting | 8,000 00 | |
| | Victoria—Public Building (Estimated Cost $800,000) | 50,000 00 | |
| | *Generally* | | |
| 550 | Dominion Quarantine Stations—Maintenance and repairs—Further amount required | 10,000 00 | |
| 551 | Public Buildings Generally—Repairs, alterations, fittings, and improvements—Further amount required | 75,000 00 | |
| | CHIEF ENGINEER'S BRANCH | | |
| | Dredging | | |
| 552 | Maritime Provinces—Further amount required | 46,200 00 | |
| 553 | Ontario and Quebec—Further amount required | 85,000 00 | |
| 554 | British Columbia and Yukon—Further amount required | 27,000 00 | |
| 555 | New Dredge for Great Lakes—(Estimated Cost $162,000) | 50,000 00 | |
| | Maintenance and Operation of Graving Docks, Locks and Dams, etc. | | |
| 556 | Champlain Graving Dock—Further amount required | 125,000 00 | |
| 557 | Locks and Dams—Further amount required | 12,500 00 | |
| 558 | Snagboats—Further amount required | 63,400 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | PUBLIC WORKS—*Continued* | | |
| | CHIEF ENGINEER'S BRANCH—*Continued* | | |
| | Maintenance and Operation of Roads and Bridges | | |
| 559 | Kingston, La Salle Causeway—Further amount required..... | 8,800 00 | |
| | Construction, Repairs and Improvements—Harbours and Rivers | | |
| | *Nova Scotia* | | |
| 560 | Breen's Pond—Harbour improvements (Estimated Cost $32,000)..... | 10,000 00 | |
| | Clarkes Harbour—Wharf reconstruction and extension..... | 35,000 00 | |
| | Culloden—Repairs to breakwater (Estimated Cost $20,000)... | 13,000 00 | |
| | Glace Bay—Wharf reconstruction (Estimated Cost $330,000).. | 75,000 00 | |
| | Meteghan—Breakwater repairs (Revote)..... | 3,400 00 | |
| | Pictou Island—Breakwater-wharf (Estimated Cost $75,000).. | 25,000 00 | |
| | Port Hood Island—Wharf (Estimated Cost $10,000)..... | 4,000 00 | |
| | Whitehead—Wharf replacement (Estimated Cost $23,200).... | 8,000 00 | |
| | Harbours and Rivers Generally—For maintenance of services, and for repairs and reconstruction due to extremely heavy storms during the Fall of 1944, no new works to be undertaken—Further amount required..... | 40,000 00 | |
| | *Prince Edward Island* | | |
| 561 | Charlottetown—Wharf reconstruction and improvements (Estimated Cost $340,000)..... | 50,000 00 | |
| | Red Head—Wharf extension and breakwater (Revote $2,900).. | 3,500 00 | |
| | Rocky Point—Wharf reconstruction (Estimated Cost $42,000)... | 20,000 00 | |
| | Harbours and Rivers Generally—For maintenance of services, no new works to be undertaken—Further amount required.. | 10,000 00 | |
| | *New Brunswick* | | |
| 562 | Caraquet (Young Wharf)—Dredging (Estimated Cost $40,000). | 5,000 00 | |
| | Dalhousie—Wharf reconstruction and Dredging (Estimated Cost $26,000)..... | 7,500 00 | |
| | Neguac Church—Wharf (Estimated Cost $22,000)..... | 5,000 00 | |
| | *Quebec* | | |
| 563 | Grand Riviere—Wharf reconstruction (Estimated Cost $147,000) | 25,000 00 | |
| | Matane—Reconstruction of West Breakwater (Estimated Cost $212,000)..... | 25,000 00 | |
| | Miguasha—Wharf extension and breakwater (Estimated Cost $30,000)..... | 10,000 00 | |
| | Pentecote—Dredging..... | 175,000 00 | |
| | Quebec—Completion of the reconstruction of the intercepting sewer—To implement the agreement entered into in 1939 (Estimated Cost $1,340,000)..... | 200,000 00 | |
| | Ste. Felicite—Wharf repairs (Estimated Cost $27,000)..... | 5,000 00 | |
| | St. Simeon—Wharf reconstruction (Estimated Cost $142,000)... | 40,000 00 | |
| | *Ontario* | | |
| 564 | Bronte—Reconstruction of pier (Estimated Cost $110,000).... | 30,000 00 | |
| | Cobourg—Reconstruction of Harbour Works (Estimated Cost $95,000)..... | 50,000 00 | |
| | Fort William—Dredging (Estimated Cost $295,000)..... | 225,000 00 | |
| | Midland—Harbour Improvements (Estimated Cost $167,000).. | 75,000 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | PUBLIC WORKS—*Continued* | | |
| | CHIEF ENGINEER'S BRANCH—*Concluded* | | |
| | Construction, Repairs and Improvements—Harbours and Rivers—*Concluded* | | |
| | *Ontario*—Concluded | | |
| | Oshawa—Breakwater reconstruction (Estimated Cost $33,000) | 10,000 00 | |
| | Parry Sound—Wharf | 5,500 00 | |
| 564 | Port Hope—Repairs to East Breakwater (Estimated Cost $110,000) | 20,000 00 | |
| | Sault Ste. Marie—Wharf reconstruction (Estimated Cost $41,000) | 10,000 00 | |
| | Stanley House—Wharf | 4,900 00 | |
| | *Manitoba* | | |
| | Gimli—Wharf reconstruction (Estimated Cost $62,000) | 10,000 00 | |
| 565 | Selkirk—Wharf reconstruction (Estimated Cost $148,000) | 10,000 00 | |
| | St. Andrews—River Breakwater (Estimated Cost $11,000) | 5,000 00 | |
| | *British Columbia and Yukon* | | |
| | Bella Coola—Wharf repairs and improvements (Estimated Cost $19,300) | 10,000 00 | |
| | Brownsville—Harbour improvements (Estimated Cost $15,000) | 8,000 00 | |
| | Brunette River (Sapperton)—Approach and float | 7,000 00 | |
| | Courtenay—Floating wharf | 4,000 00 | |
| | Fraser River (Calamity Point)—Improvements | 5,000 00 | |
| | Fraser River—Reconstruction of North Arm Jetty (Estimated Cost $231,800) | 50,000 00 | |
| | Kanaka Landing—Floats | 4,900 00 | |
| | Ladysmith—Float and breakwater | 9,700 00 | |
| | Port Alberni—Harbour improvements | 65,000 00 | |
| 566 | Prince Rupert—Renewal of fishermen's floats (Estimated Cost $22,000) | 5,000 00 | |
| | Queen Charlotte City—Wharf repairs and extension (Estimated Cost $16,000) | 5,000 00 | |
| | Refuge Cove (Redonda Island)—Float | 5,900 00 | |
| | Refuge Cove (Sidney Inlet)—Float | 1,000 00 | |
| | Steveston—Harbour Improvements (Revote $5,000) | 6,300 00 | |
| | Ucluelet West—Floats | 2,900 00 | |
| | Vananda—Wharf extension and freight shed | 4,200 00 | |
| | Westview—Initial cost of replacing Fishing Harbourage | 25,000 00 | |
| | Winter Harbour—Harbour improvements (Estimated Cost $22,500) | 5,000 00 | |
| | Harbours and Rivers Generally—For maintenance of services, no new works to be undertaken—Further amount required. | 50,000 00 | |
| | TELEGRAPH BRANCH | | |
| | Reconstruction, Repairs and Improvements | | |
| 567 | Purchase of submarine cable and telephone carrier equipment from War Assets Corporation | 25,000 00 | |
| 568 | For the purchase and installation of Radiophone equipment at Minstrel Island and on Vancouver Island at Kelsey Bay | 9,000 00 | |
| 569 | Purchase and installation of submarine cable to connect Shippigan and Miscou Islands with the mainland | 11,000 00 | |
| 570 | Purchase of submarine cable for replacements and reserve stock | 23,800 00 | |
| 571 | Repairs and renewals of submarine cables on the Pacific Coast | 30,000 00 | |
| 572 | Telephone line from Catalone to Bateston | 700 00 | |
| 573 | Telephone line from Peter Pond Lake to Portage la Loche (Estimated Cost $17,000) | 10,000 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | PUBLIC WORKS—*Concluded* | | |
| | GENERAL | | |
| 574 | National Gallery of Canada—Further amount required | 35,000 00 | 4,939,300 00 |
| | RECONSTRUCTION | | |
| | NATIONAL RESEARCH COUNCIL | | |
| 575 | Salaries and other expenses of the National Research Council—Further amount required | | 50,000 00 |
| | ROYAL CANADIAN MOUNTED POLICE | | |
| 576 | Land Services—Arising out of the Royal Canadian Mounted Police Act, enforcement of Federal Statutes generally, and other incidental expenses—Further amount required | 16,500 00 | |
| 577 | To provide for payment of a pension of $411 per annum to Mrs. Victoria Desjardins, widow of the late Constable Alphonse Desjardins of the former Dominion Police, who lost his life while on duty, effective April 1, 1945 | 411 00 | 16,911 00 |
| | SECRETARY OF STATE | | |
| 578 | Departmental Administration—Further amount required | 8,800 00 | |
| 579 | Companies Branch—Further amount required | 5,200 00 | |
| 580 | Bureau for Translations—Further amount required | 21,525 00 | |
| | PATENT AND COPYRIGHT OFFICE | | |
| 581 | Patent Division—Further amount required | 17,080 00 | 52,605 00 |
| | TRADE AND COMMERCE | | |
| 582 | Departmental Administration—Further amount required | 40,480 00 | |
| 583 | Commercial Intelligence Service—Further amount required | 84,015 00 | |
| 584 | Foreign Tariffs Division—Further amount required to provide for contribution to the International Customs Tariffs Bureau | 16,800 00 | |
| 585 | Wheat and Grain Division—Further amount required | 15,904 00 | |
| 586 | Import Division | 24,700 00 | |
| | MAIL SUBSIDIES AND STEAMSHIP SUBVENTIONS | | |
| | *Eastern Local Services* | | |
| 587 | Campobello, N.B., and Lubec, Maine, service between | 1,000 00 | |
| | Chester and Tancook Island, winter service between—Further amount required | 100 00 | |
| | Dalhousie, N.B., and Miguasha, P.Q., service between | 12,000 00 | |
| | Ile-aux-Coudres, P.Q., and Quebec or Levis, service between | 4,000 00 | |
| | Mulgrave and Canso, service between—Further amount required | 27,000 00 | |
| | Pictou, Souris, and the Magdalen Islands, service between—Further amount required | 1,833 00 | |
| | Prince Edward Island and Newfoundland, service between—Further amount required | 36,500 00 | |
| | Saint John and Minas Basin ports, service between—Further amount required | 5,000 00 | |
| | Saint John, Westport and Yarmouth, and other way ports, service between—Further amount required | 10,000 00 | |
| | Sydney and Bay St. Lawrence, calling at way ports, service between—Further amount required | 10,000 00 | |
| | Sydney and Whycocomagh, calling at way ports, service between—Further amount required | 2,500 00 | |
| | Yarmouth, N.S., and Boston, Mass., service between | 43,000 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | TRADE AND COMMERCE—*Concluded* | | |
| | CANADA GRAIN ACT | | |
| 588 | Operation and Maintenance, including Inspection and Weighing, Registration, etc.—Further amount required | 20,000 00 | |
| 589 | Canadian Government Elevators, including equipment—Further amount required | 55,500 00 | |
| | CANADIAN TRAVEL BUREAU SERVICE | | |
| 590 | To assist in promoting Tourist Business in Canada—Further amount required | 362,650 00 | |
| | | | 772,982 00 |
| | TRANSPORT | | |
| 591 | Departmental Administration—Further amount required | 19,730 00 | |
| | CANALS SERVICE | | |
| 592 | Canals—Operation and Maintenance—Further amount required | 80,000 00 | |
| | MARINE SERVICE | | |
| 593 | Construction, Maintenance and Supervision of Aids to Navigation, including salaries and allowances to Lightkeepers—Further amount required | 62,700 00 | |
| 594 | Miscellaneous Services, relating to Navigation and Shipping—Further amount required | 2,500 00 | |
| | RAILWAY SERVICE | | |
| 595 | Prince Edward Island Car Ferry and Terminals—Construction and Improvements of Terminal Facilities—Capital | 250,000 00 | |
| | GOVERNMENT EMPLOYEES' COMPENSATION | | |
| 596 | Administration of the Government Employees Compensation Act—Further amount required | 11,570 00 | |
| | PENSIONS AND OTHER BENEFITS | | |
| 597 | To provide, notwithstanding anything contained in the Consolidated Revenue and Audit Act, or any other act or law, for payment out of the Consolidated Revenue Fund of a gratuity to the widow of the late Proculus Picard, formerly Stationary Engineer, Heating, Grade 2, Quebec, P.Q., equal to the amount, without interest, of the contributions made by the late Proculus Picard to the Civil Service Superannuation Fund | 1,653 07 | |
| | AIR SERVICE | | |
| | (Control and supervision vested in the Minister of Reconstruction by Orders in Council P.C. 7995 of 13th October, 1944, and P.C. 8207 of 24th October, 1944). | | |
| 598 | To provide for assistance to M. and C. Aviation Company, Limited as authorized by Section 16 of the Aeronautics Act, as amended | 12,000 00 | |

# SCHEDULE B—*Continued*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | TRANSPORT—*Concluded* | | |
| | CIVIL AVIATION DIVISION | | |
| 599 | Control of Civil Aviation, including the Administration of the Aeronautics Act and Regulations issued thereunder—Further amount required | 27,565 00 | |
| 600 | Airways and Airports—Construction and Improvements, including Lighting and Radio Facilities—Capital—Further amount required | 178,900 00 | |
| 601 | Airways and Airports—Operation and Maintenance—Meteorological Aviation Services—Further amount required | 46,000 00 | |
| | *Meteorological Division* | | |
| 602 | Meteorological Service—Further amount required | 74,200 00 | |
| | *Radio Division* | | |
| 603 | Administration of the Radiotelegraph Act and Regulations—Further amount required | 8,880 00 | |
| 604 | Radio Direction Finding Stations, Radio Beacons and Radiotelegraph Stations—Operation and Maintenance—Further amount required | 2,940 00 | |
| 605 | Suppression of Local Electrical Interferences—Further amount required | 3,480 00 | |
| | | | 782,118 07 |
| | VETERANS AFFAIRS | | |
| 606 | Departmental Administration—Further amount required | 240,621 00 | |
| 607 | District Administration—Further amount required | 415,244 00 | |
| 608 | Treatment Services—Further amount required | 2,915,845 00 | |
| 609 | Prosthetic Services—Further amount required | 256,018 00 | |
| | Canadian Pension Commission— | | |
| 610 | Administration Expenses—Further amount required | 107,065 00 | |
| 611 | Veterans Bureau—Further amount required | 16,630 00 | |
| 612 | Veterans Insurance—Further amount required | 65,000 00 | |
| | PAYMENTS TO OR FOR VETERANS AND DEPENDENTS | | |
| 613 | European War Pensions—Further amount required | 500,000 00 | |
| 614 | Widows' Compassionate Allowances—Further amount required | 100,000 00 | |
| 615 | Compassionate Allowances—Orphaned Dependent Children—Further amount required | 7,000 00 | |
| | SOLDIER SETTLEMENT AND VETERANS LAND ACT | | |
| 616 | Administration of Soldier Settlement, British Family Settlement, general land settlement, and Veterans' Land Act, including engineering and other investigational planning and subdivision expenses that do not add tangible value to real property—Further amount required | 1,578,430 00 | |
| 617 | To provide for the payment of grants to veterans settled on provincial lands in accordance with agreements with provincial governments under Section 35 of the Veterans' Land Act, 1942, as amended | 1,500,000 00 | |
| 618 | To provide for the payment of grants to Indian veterans settled on Indian Reserve lands under Section 35A of the Veterans' Land Act, 1942, as amended | 100,000 00 | |
| | | | 7,801,853 00 |

# SCHEDULE B—*Concluded*

| No. of Vote | Service | Amount | Total |
|---|---|---|---|
| | | $ cts. | $ cts. |
| | GOVERNMENT OWNED ENTERPRISES | | |
| | NATIONAL HARBOURS BOARD | | |
| 619 | Advances to National Harbours Board with interest at a rate to be fixed by the Governor in Council for such period and upon such terms and conditions as the Governor in Council may determine, to be applied in payment of deficits resulting from the operations of the Jacques Cartier Bridge—Further amount required | | 167,262 00 |
| | Total | | 21,931,048 00 |

CHAMBRE DES COMMUNES

VINGTIÈME PARLEMENT

PREMIÈRE SESSION, 1945

# FEUILLETON

No 75

# ORDRE DU JOUR

LUNDI 17 DÉCEMBRE
1945

O 75—1

# AFFAIRES DE ROUTINE

Présentation des rapports des comités.

Motions.

16 novembre—Suite du débat ajourné sur la motion suivante de M. Bradette:—Que le deuxième rapport du comité permanent des Affaires extérieures, présenté le lundi 12 novembre 1945, soit maintenant agréé; et sur l'amendement du ministre de la Justice.

## PRÉSENTATION DES BILLS

1945

**PRIORITÉ:—Questions; Avis de motions pour la production de documents; Avis de motions du gouvernement; Mesures du gouvernement; Bills privés; Amendements du Sénat aux bills publics; Autres avis de motions; Bills et ordres publics.**

# QUESTIONS

NOTE.—Les questions auxquelles une réponse verbale est demandée sont marquées d'un astérisque.

1945

No 1—M. *Castleden*

12 novembre—1. A quelles personnes ou compagnies, si tel est le cas, la Corporation des biens de guerre de surplus a-t-elle payé ou alloué quelque commission sur les ventes ou l'échange de biens?

2. Quel est le montant de la commission payée à chaque personne ou commission?

No 2—M. *Bruce*

28 novembre—1. Quelles ont été, jusqu'au 31 octobre dernier, les dépenses totales à l'égard de l'entreprise d'énergie atomique à Chalk River?

2. A-t-on alloué quelque montant pour la prochaine année financière?

3. Si c'est le cas, combien?

No 3—M. *Gagnon*

3 décembre—1. Quel est le nombre total d'employés dans les bureaux du ministère du Revenu national, *a*) à Ottawa, *b*) à Montréal, *c*) à Québec?

2. Combien d'employés, *a*) de langue française, *b*) de langue anglaise, gagnent $2,000.00 ou plus par année, dans les mêmes bureaux?

No 4—M. *Thatcher*

3 décembre—Le gouvernement a-t-il pris des mesures, depuis la fin de la guerre, pour mettre à la retraite les fonctionnaires civils âgés de 65 ans ou plus et les remplacer par des anciens combattants?

No 5—M. *Lennard*

5 décembre—1. Le programme de transformation de l'administration nationale du logement a-t-il été prolongé au Canada?

2. Sinon, quand la prolongation a-t-elle pris fin et pourquoi?

3. Au 1er décembre 1945, combien de maisons ont été transformées au Canada en vertu de ce programme?

4. Quel en a été le nombre dans le district de Hamilton, Ontario?

5. Quel a été le coût de transformation de ces maisons dans le district de Hamilton?

6. Combien d'inspecteurs, de concierges et autres personnes sont ou ont été employés en rapport avec l'exécution de ce programme dans le district de Hamilton?

7. Qui sont-ils et quel montant est ou a été payé à chacun d'entre eux en salaire et pour leurs dépenses?

No 6—M. *Fraser*

5 décembre—Quelle somme le Canada a-t-il dépensée dans le développement de l'énergie atomique pour des fins de temps de guerre ou de temps de paix?

No 7—M. *Black* (Yukon)

6 décembre—Sur chaque dollar versé pour l'achat de boissons alcooliques et de bière des vendeurs des provinces et des territoires, quel montant va: 1. au gouvernement fédéral en impôts, taxes et droits divers; 2. aux gouvernements des provinces et des territoires; 3. aux distillateurs, brasseurs ou fabricants de ces boissons et bières?

No 8—M. *Green*

8 décembre—Sur chaque unité de la deuxième division canadienne revenant au Canada, quel était le nombre et le pourcentage du personnel relevant de la L.M.R.N.?

No 9—M. *White* (Middlesex-Est)

10 décembre—1. Le gouvernement fédéral a-t-il contribué aux frais de construction des routes forestières entreprises par les provinces, pour quelqu'une des années de 1936 à 1940 inclusivement?

2. S'il en a été ainsi, quel a été le total des contributions pour chaque année dans chaque province?

No 10—M. *Thatcher*

10 décembre—1. La Corporation des biens de guerre a-t-elle reçu de la ville de Moose-Jaw une demande pour les camions de service d'incendie, ou les autres appareils, emmagasinés au dépôt No 2 du service technique de l'électricité et de la mécanique?

2. Si c'est le cas, à quelle date a-t-elle reçu la requête?

3. Quelles dispositions a-t-on prises à l'égard de cette demande jusqu'à présent?

No 11—M. *White* (Middlesex-Est)

10 décembre—1. A-t-on acquis, acheté ou loué quelque terrain dans l'est de la ville de London, ou dans la division électorale de Middlesex-Est, pour y construire des voies d'évitement des lignes de chemins de fer du Pacifique-Canadien et du National-Canadien dans le but d'y entreposer du matériel de guerre de surplus ou désuet?

2. Dans l'affirmative, quels terrains a-t-on achetés et de qui?

3. Quel prix a-t-on payé pour chaque terrain?

4. Combien en a-t-il coûté en tout au gouvernement pour les terrains et la construction?

No 12—M. *White* (Middlesex-Est)

10 décembre—1. Quels terrains a-t-on acquis pour agrandir l'aéroport du C.A.R.C. à Crumlin, Ontario, en plus de l'aéroport qui existait à ce moment-là à London?

2. De qui ont-ils été achetés?

3. Quelle en est l'étendue?

4. Quel prix a-t-on payé pour les terrains?

5. A-t-on accordé aux anciens propriétaires une option de rachat lorsque ces terrains ne seraient plus requis par le gouvernement?

6. A-t-on déclaré de surplus quelque partie de cette propriété ou de ses hangars et bâtiments?

7. Quelle disposition finale fera-t-on de ces propriétés et immeubles?

8. Quels chemins de township ou de comté ont été fermés lors de l'agrandissement de cet aéroport?

9. A-t-on remboursé *a*) les townships de West Nissouri, London, ou le comté de Middlesex, pour la fermeture de chemins; *b*) des particuliers, pour dommages ou inconvénients?

10. Le cas échéant, qui?
11. Quelles sommes a-t-on payées à chacun?
12. Quelles propriétés ont été achetées pour le passage du nouveau chemin de la troisième concession du township de London à la deuxième concession de West Nissouri?
13. De qui a-t-on acheté ces propriétés?
14. Quel prix a-t-on payé pour chacune?
15. Quelle est la longueur du nouveau chemin?
16. Quel a été le coût total de construction?
17. Les townships intéressés ou le comté de Middlesex ont-ils pris à leur compte l'entretien et le maintien de la nouvelle route?

No 13—M. *Stewart* (Winnipeg-Nord)

11 décembre—1. A-t-on cessé de faire la distribution de la plaquette *"Canadian Affairs"* aux groupes civils et aux particuliers?
2. Si c'est le cas, quelle raison donne-t-on de cette cessation?
3. Au cours des trois derniers mois combien de demandes d'exemplaires de *"Canadian Affairs"* a-t-on reçues de groupes civils et de particuliers?

No 14—M. *Héon*

11 décembre—1. Combien d'unités de logement la *Wartime Housing Limited* a-t-elle construites à Brownsburg, P.Q., sur les terrains *a*) MacVicar, *b*) Filion?
2. Quel en a été le coût de l'unité?
3. Les terrains sur lesquels ces unités ont été construites ont-ils été entièrement achetés ou loués, et quel a été le coût pour les terrains *a*) MacVicar *b*) Filion?
4. Combien d'unités a-t-on louées, et quel montant a-t-on reçu en loyer par unité depuis la date de leur occupation jusqu'à ce qu'elles soient démontées?
5. Combien d'unités ont été démontées et réinstallées à Côte St-Paul, et quel en a été le coût par unité, le transport compris?
6. Quel a été le coût d'installation des conduites d'eau et d'égouts sur la propriété *a*) MacVicar, *b*) Filion?
7. Combien a-t-on payé à la Corporation du village de Brownsburg pour prendre possession de ses conduites d'eau et d'égout desservant la propriété Filion?

No 15—M. *Héon*

11 décembre—1. Quelles mesures ont été prises pour ériger un immeuble en vue de loger les bureaux d'administration et les studios d'émission de la société Radio-Canada à Montréal?
2. Où construira-t-on cet immeuble?
3. A-t-on dressé des plans des édifices projetés et des terrains?
4. Dans l'affirmative, *a*) quels en sont les architectes et ingénieurs; *b*) en vue de quel emplacement ces plans ont-ils été expressément dressés; *c*) combien a-t-on dépensé pour cette entreprise jusqu'à présent; *d*) quel est le coût estimatif de l'entreprise?

No 16—M. *Archibald*

12 décembre—1. Du matériel sanitaire ou des instruments de chirurgie ont-ils été déclarés de surplus par quelque groupe des forces armées?
2. A-t-on vendu de ce matériel? Le cas échéant, à qui?
3. A qui un acheteur éventuel devrait-il s'adresser au sujet de ce matériel?

No 17—M. *Zaplitny*

13 décembre—1. A quelle date la *Northern Trust Company,* de Winnipeg, Manitoba, a-t-elle acquis ou loué les emplacements de coupe de bois Nos 571 et 551D dans le parc national de Riding Mountain?

2. Quelles sont les clauses du contrat entre la *Northern Trust Company* et le gouvernement?

3. Le contrat prévoit-il le reboisement dans le district de cet emplacement?

4. Combien de pieds de bois de construction a-t-on retirés de ces emplacements jusqu'au 1er janvier 1940?

5. Quel en a été le prix payé chaque année au gouvernement?

No 18—M. *Fair*

13 décembre—1. Sous le régime de la Loi d'établissement de soldats combien a-t-on obtenu d'hypothèques sur des terrains appartenant à des anciens combattants lors de leur achat de la commission?

2. Depuis les débuts du plan jusqu'à présent, combien y a-t-il eu de saisie des terrains hypothéqués?

3. Quels sont les noms et adresses des colons contre qui on a institué des procédures de saisie et qui ont finalement perdu la propriété de leurs terres?

No 19—M. *Stewart* (Winnipeg-Nord)

14 décembre—1. Quelle est la valeur des aéronefs en plastique, et de leurs accessoires, fabriqués suivant le traitement thermique par l'usine possédée par l'Etat et exploitée par la *Canadian Cockshutt Plow Company*?

2. Quelle est la valeur de tous les autres aéronefs semblables en plastique et de tous les autres accessoires en plastique, suivant le traitement thermique, achetés par le gouvernement canadien?

3. Quels montants a-t-on payés à M. J. Vidal, de New-York?

4. Combien en redevances?

5. Combien en frais de gestion?

6. Quels montants a-t-on payés à la *Aircraft Research Limited*?

7. Combien a-t-on payé à M. H. Atwood, du New-Hampshire?

8. Combien a-t-on payé à M. Atwood en frais de déplacement de Vancouver à Ottawa?

9. Combien en redevances ou en tout autre versement?

10. Combien a-t-on payé à la *Cockshutt Plow Corporation* en frais de gestion?

11. A-t-on fait quelque paiement à la *Vancouver Sales and Appraisals Limited* pour avoir porté à la connaissance du gouvernement les opérations de plastique, à savoir la méthode Vidal et la méthode Atwood?

12. Si aucun paiement n'a été effectué, quelles dispositions le gouvernement a-t-il prises en vue de payer cette compagnie pour tous services rendus?

13. Le gouvernement a-t-il utilisé le brevet No 366724 et le brevet No 384742, ou les brevets des Etats-Unis No 2126711 et No 2373738?

14. Qui est propriétaire de ces brevets?

15. A-t-on effectué quelque paiement pour l'utilisation de ces brevets?

No 20—M. *Aylesworth*

15 décembre—1. La ferme expérimentale centrale, à Ottawa, se propose-t-elle de distribuer des dindons aux hauts fonctionnaires de la Couronne, aux fonctionnaires civils ou aux membres du personnel? Dans l'affirmative, à quelles conditions?

2. A-t-on fait une telle distribution à Noël l'an dernier? Dans l'affirmative, à qui et à quelles conditions?

3. Ladite ferme vend-elle ou dispose-t-elle d'autre façon de quelque autre produit provenant de la ferme? Dans l'affirmative, à quelles conditions?

# AVIS DE MOTIONS POUR PRODUCTION DE DOCUMENTS

1945

*No 1

11 décembre—M. *Pouliot*—ADRESSE—Copie de la dépêche circulaire du secrétaire d'Etat pour les colonies, en date du 14 septembre 1869, transmettant la copie de l'arrêté en conseil du gouvernement impérial pris le 7 août 1869 approuvant un mémoire de l'Amirauté relatif aux pavillons devant servir aux diverses divisions du service de Sa Majesté, et copie dudit arrêté en conseil et de ladite circulaire, mentionnés dans l'arrêté en conseil du gouvernement canadien du 28 février 1870.

# AVIS DE MOTIONS DU GOUVERNEMENT

**1945**

23 novembre—Le *Premier ministre*—Qu'il importe que les Chambres du Parlement approuvent la Déclaration convenue sur l'Énergie atomique, signée par le Président des Etats-Unis, le Premier Ministre du Royaume-Uni, et le Premier Ministre du Canada, à Washington, le 15 novembre 1945, et que cette Chambre approuve cette Déclaration.

# ORDRE DU JOUR

## MESURES DU GOUVERNEMENT

NOTE.—Les lettres "A.F." indiquent les bills imprimés et distribués dans les deux langues "A" ceux imprimés en anglais; "F" ceux imprimés en français.

1945

**No 1.**

Réception des rapports du comité des Subsides des 28, 29 novembre, 3, 7, 8, 11, 12, 13, 14 et 15 décembre.—Le *ministre des Finances.*

**No 2.**

15 décembre—La Chambre de nouveau en comité des Subsides. (Message de Son Excellence le Gouverneur général, budget et budget supplémentaire référés).—Le *ministre des Finances.*

**No 3.**

1er décembre—La Chambre de nouveau en comité des Voies et Moyens.—Le *ministre des Finances.*

**No 4.**

22 octobre—Deuxième lecture du Bill No 20, Loi concernant la citoyenneté, la nationalité et la naturalisation, ainsi que le statut des étrangers.—Le *Secrétaire d'Etat.*—A.F.

# AVIS DE MOTIONS

1945

No 2

17 septembre—M. *Gillis*—RÉSOLUTION—Considérant que l'exploitation des ressources minérales du Canada laissées à l'entreprise privée n'a pas fonctionné au meilleur des intérêts de tout le peuple canadien soit en temps de paix, soit en temps de guerre,

La Chambre est d'avis, en conséquence, que l'on devrait prendre des mesures pour assujettir au contrôle et à l'administration du gouvernement les ressources minérales exploitées et inexploitées du Canada.

No 3

21 septembre—M. *Lacombe*—RÉSOLUTION—La Chambre est d'avis que la suprématie du Parlement doit être rétablie en abolissant les commissions irresponsables au peuple instituées en temps de guerre; que les lois de mobilisation et de conscription doivent disparaître des Statuts revisés du Canada; que les délinquants et les déserteurs doivent bénéficier d'une amnistie générale.

No 4

28 septembre—M. *Rose*—RÉSOLUTION—La Chambre est d'avis que le gouvernement devrait étudier immédiatement l'à-propos d'apporter des modifications à la Loi sur l'assurance-chômage dans le but de décréter une augmentation de 50 p. 100 dans les prestations d'assurance-chômage.

No 5

16 octobre—M. *Fleming*—RÉSOLUTION—Que, de l'avis de cette Chambre, l'article 63 du Règlement soit modifié en ajoutant après le paragraphe *l*): *m*) la santé nationale, le bien-être et la sécurité sociales (nombre des membres: 35; quorum: 10).

No 6

24 octobre—M. *Blackmore*—RÉSOLUTION—La Chambre est d'avis que le gouvernement devrait adopter immédiatement une ligne de conduite semblable à celle que poursuivent les gouvernements de Grande-Bretagne et des Etats-Unis d'Amérique, qui aurait pour effet d'encourager la production du sucre de betterave au Canada au point que l'industrie canadienne du sucre de betterave soit en mesure, à une date rapprochée, de produire au moins 300,000,000 de livres de sucre, au lieu de la production actuelle de quelque 160,000,000 de livres.

No 7

5 novembre—M. *Marquis*—RÉSOLUTION—Considérant que le Titre royal et les Titres, qui sont actuellement les suivants: "George VI, par la grâce de Dieu, Roi de Grande-Bretagne, d'Irlande et des Dominions britanniques au delà des mers, Défenseur de la foi, Empereur des Indes", ne mettent pas suffisamment en relief, à l'heure actuelle, le statut constitutionnel et la souveraineté du Canada et des autres Dominions;

La Chambre est d'avis, en conséquence, qu'à la prochaine conférence des délégués du Royaume-Uni et des Dominions, les délégués du Dominion du Canada devraient inviter la conférence à adopter une résolution priant le Parlement du Royaume-Uni et les Parlements des Dominions de passer une loi statuant que Sa Très Gracieuse Majesté, par Sa Proclamation royale, donnée sous le Grand Sceau du Royaume, apporte au Titre royal et aux Titres qui appartiennent actuellement à la Couronne ces modifications, qu'il plaira de faire à Sa Majesté, afin, plus spécialement, d'inclure dans le Titre royal et les Titres les mots: "Roi du Canada, de l'Australie, de la Nouvelle-Zélande, de l'Afrique du Sud et de l'Etat libre d'Irlande".

# BILLS ET ORDRES PUBLICS

NOTE.—Les lettres "A.F." indiquent les bills imprimés et distribués dans les deux langues lorsque les ordres ont été donnés; "A" ceux imprimés en anglais; "F" ceux imprimés en français.

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1945

**No 5.**

12 septembre—Deuxième lecture du Bill No 7, Loi modifiant la Loi des élections fédérales, 1938.—M. *Fair.*—A.F.

**No 6.**

27 septembre—Deuxième lecture du Bill No 8, Loi modifiant la Loi des chemins de fer.—M. *Adamson.*—A.F.

**No 7.**

3 octobre—Suite du débat sur la résolution suivante de M. MacInnis:—La Chambre est d'avis qu'il est temps de faire l'étude de modifications à apporter à la Loi des pensions de vieillesse en abaissant à soixante ans l'âge de la pension, en augmentant le montant de la pension de façon à permettre aux bénéficiaires de vivre en santé et avec dignité et en supprimant les conditions relatives au revenu requises pour recevoir la pension.

**No 8.**

10 octobre—Suite du débat sur la résolution suivante de M. Bryce:—La Chambre est d'avis que le gouvernement devrait immédiatement mettre à l'étude l'à-propos de nommer un Office des commissaires du bétail au Canada, dans le but de réglementer et de contrôler le rassemblement, le transport, le classement, le marché et l'exportation du bétail et des produits du bétail.

**No 9.**

24 octobre—Suite du débat sur la résolution de M. Harkness:—La Chambre est d'avis que le gouvernement devrait entreprendre l'étude des modifications à apporter prochainement à la Loi des pensions de vieillesse dans le but d'en étendre l'application aux Indiens du Canada.

**No 10.**

1er octobre—Suite du débat sur la résolution suivante de M. Fair:—Considérant que les anciens combattants de la première grande guerre qui se sont établis sur des terres en vertu du plan d'établissement de soldats, ainsi que leurs femmes et leurs familles ont eu à faire face à de dures épreuves, en plusieurs circonstances, par suite de l'achat de terres, de bétail et d'outillage à des prix haussés par l'inflation, et de la vente des produits de la ferme à des prix peu élevés, situation provoquée par l'absence d'une politique agricole efficace; et

Considérant que nous nous lançons dans un autre projet d'établissement sur des terres à l'intention des anciens combattants de la guerre actuelle en vertu d'une politique gouvernementale qui ne garantit pas le coût de la production, et dont le succès peut être compromis par l'échec manifeste de l'ancien plan de la commission d'établissement de soldats,

La Chambre est d'avis, en conséquence, que le gouvernement devrait étudier l'à-propos d'accorder le titre incontesté des terres à tous les soldats-colons qui, le 31 mars 1944, détenaient des terres en vertu d'un contrat avec la Commission d'établissement de soldats.

**No 11.**

2 octobre—Suite du débat sur la motion de M. Black (*Yukon*) portant deuxième lecture du Bill No 2, Loi modifiant la Loi de juridiction du divorce, 1930.

**No 12.**

12 octobre—Deuxième lecture du Bill No 18, Loi modifiant le Code criminel. —M. *Bryce*.—A.F.

**No 13.**

15 octobre—Suite du débat sur la résolution suivante de M. Blackmore:— La Chambre est d'avis que le gouvernement devrait faire l'étude immédiate de l'à-propos d'entreprendre la construction du bassin de la rivière St. Marys, point d'importance principale de l'entreprise de conservation des eaux de la région sud-est de Lethbridge dans l'Alberta du sud.

**No 14.**

16 octobre—Suite du débat sur la motion de M. Knowles portant deuxième lecture du Bill No 5, Loi modifiant la Loi de l'impôt sur le revenu (Communication de renseignements).

**No 15.**

17 octobre—Suite du débat ajourné sur la résolution suivante de M. Dorion: —Considérant que, le 5 juillet 1943, une résolution était adoptée par cette Chambre à l'effet qu'une adresse soit présentée à Sa Majesté le Roi pour qu'un amendement soit fait à l'Acte de l'Amérique britannique du Nord aux fins suivantes:

"Nonobstant toutes dispositions des Actes de l'Amérique britannique du Nord, 1867 à 1940, il ne sera pas nécessaire de rajuster la représentation des provinces à la Chambre des communes, en conséquence du recensement fait en l'an mil neuf cent quarante et un, avant la première session que le Parlement du Canada tiendra après la cessation des hostilités entre le Canada et le Reich allemand, le royaume d'Italie et l'empire du Japon."

"La présente loi peut être citée sous le titre: Acte de l'Amérique britannique du Nord, 1943; et les Actes de l'Amérique britannique du Nord, 1867 à 1940; l'Acte de l'Amérique britannique du Nord, 1907, et la présente loi peuvent être citées ensemble comme les Actes de l'Amérique britannique du Nord, 1867 à 1943.";

Considérant que la première session du Parlement du Canada après la cessation des hostilités entre le Canada et le Reich allemand, le royaume d'Italie et l'empire du Japon, est présentement en cours,

La Chambre est d'avis que le gouvernement devrait se conformer à la résolution ci-dessus et mettre immédiatement à l'étude l'à-propos de procéder au cours de la présente session à la représentation des provinces à la Chambre des communes, selon les dispositions de l'Acte de l'Amérique britannique du Nord.

**No 16.**

23 octobre—Suite du débat sur la motion de M. Fair portant deuxième lecture du Bill No 6, Loi modifiant la Loi de la Commission canadienne du blé, 1935.

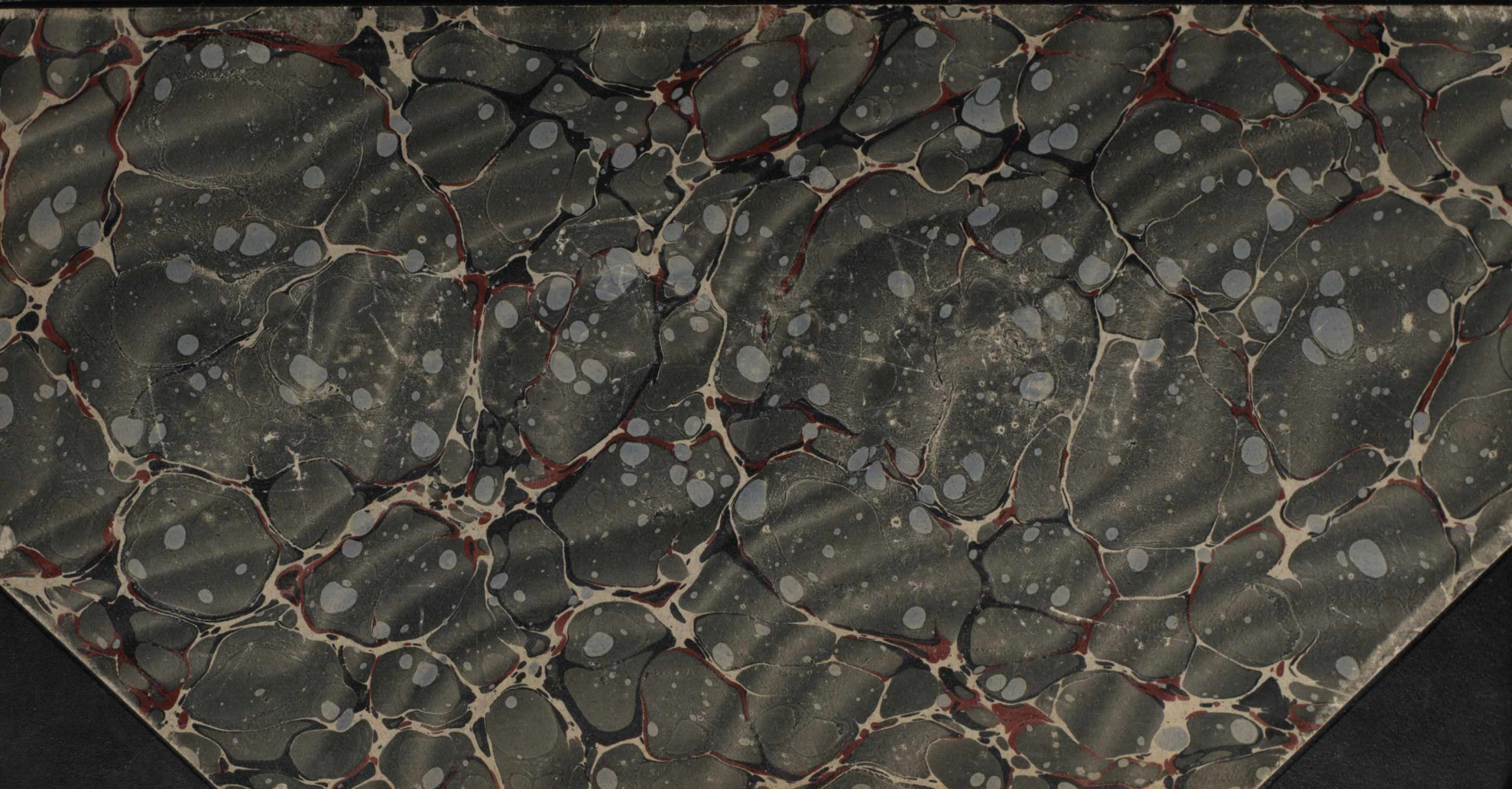
**No 17.**

24 octobre—Deuxième lecture du Bill No 22, Loi modifiant la Loi des juges. —M. *Church*.—A.F.

**No 18.**

26 octobre—Deuxième lecture du Bill No 27, Loi modifiant la Loi de 1943 sur les arrangements entre cultivateurs et créanciers.—M. *Jaenicke.*—A.F.

**No 19.**

5 novembre—Deuxième lecture du Bill No 33, Loi modifiant le Code criminel. —M. *Gladstone.*—A.F.

OTTAWA: EDMOND CLOUTIER, Imprimeur de Sa Très Excellente Majesté le Roi, 1945