

conditions always specifying the field, service or project to which the money must be applied. In addition, the province may be required to make a financial contribution to the program, to provide certain facilities, and to maintain the program at certain specified standards. The various programs in the welfare field are good examples of conditional grant programs. Under the old age assistance program, the Federal Government undertakes to share with a province the cost of assistance to persons who have attained the age of 65 years to the extent of 50 p.c. of a monthly assistance allowance of \$75; the recipient, besides being above a certain age, must have been a resident of Canada for 10 years and his income, including the assistance, must not be in excess of \$1,260 a year if unmarried, \$2,220 if married, and \$2,580 if married to a blind spouse. The provinces are entrusted with the administration of the program and are required to bear the administrative costs as well as one half of the monthly allowance.

Although the old age assistance program, with its specification of the standards for eligibility, the level of the allowance and the federal share of the joint costs, is characteristic of conditional grant programs, there are some in which the conditions are nominal. For example, under the employment assistance program the Federal Government undertakes to share one half of the cost of relief paid to social assistance recipients, the scale and conditions of the assistance to be determined by the provinces. In general, it may be said that the old age assistance program conforms to the traditional pattern of conditional grants, whereas the unemployment assistance program marks a newer approach in which flexibility and adaptability to local circumstances has been allowed to modify insistence on a national uniform standard.

The federal payments to the provinces under the conditional grant programs increased from \$75,000,000 in the year ended Mar. 31, 1954, to an estimated \$935,000,000 in 1964-65. The increase was attributable largely to the introduction of the unemployment assistance program in 1955 and the hospital insurance and diagnostic services program in 1958, to the increase in the level of old age assistance, disabled persons' and blind persons' allowances, and to the enlargement and reorientation of the vocational and technical training program (see Index). In 1964-65, federal contributions to the programs under the unemployment assistance and the hospital insurance and diagnostic services programs were estimated at \$107,000,000 and \$433,000,000, respectively.

Joint programs in the second category—those in which the federal and provincial governments accept sole responsibility for portions of a total project—are not numerous and are generally of a public works type. The irrigation projects carried out jointly by the Prairie Farm Rehabilitation Administration and the Province of Alberta on the St. Mary's and Bow Rivers in southern Alberta are of this nature, as are the bridges recently built or under construction between Cross Point in Quebec and Campbellton in New Brunswick, or between Ottawa in Ontario and Hull in Quebec. In the St. Mary's irrigation project, the Federal Government has undertaken the responsibility for the construction of all main reservoirs, large dams and connecting works, and Alberta has assumed responsibility for the construction of the distribution system and the development and colonization of the new irrigable areas. (See also p. 447.)

Joint programs in the third category are also few in number and the sums of money involved are seldom large. The Fraser River Board and the South Saskatchewan River Dam are two examples. The Fraser River Board was established by Canada and British Columbia in 1955 to investigate flood control and hydro-electric power generation on the Fraser River. Canada undertook to pay the costs of the Board in the first instance with British Columbia subsequently reimbursing Canada for half of the expenditures of the Board. In the case of the South Saskatchewan River project, Saskatchewan is to reimburse Canada for 25 p.c. (up to a maximum of \$25,000,000) of the federal expenditure on the dam and reservoir. In the year ended Mar. 31, 1964, British Columbia's share of the joint expenditures on the Fraser River Board amounted to \$64,335, and Saskatchewan's share of the expenditures on the South Saskatchewan River project was \$3,578,383.