

Provincial Fiscal Arrangements Act; of this, some \$256 million was spent at the university level, and expenditures on non-university post-secondary education, including vocational training, amounted to \$462 million. Finally, direct expenditures by the federal government on elementary-secondary education and teacher training accounted for \$210 million.

Some 66 federal government departments and agencies contribute to education in one way or another. The federal government has no responsibility for the organization and administration of education but it does have a vital interest in the availability of education, the skills of the population and the extent of scientific research carried on in Canada, realizing the effect of these on the national economy and on individual and social development.

During the past few years, federal support to education has undergone significant change. As a result of the federal-provincial conference of October 1966, the federal government undertook to provide increased support to education. Recognizing that education is a provincial responsibility, it decided to discontinue payment of operating grants directly to universities and to expand its support beyond university education and included in its program all, or almost all, post-secondary education, i.e. the educational institutions and courses requiring for admission at least junior matriculation, or its equivalent, in each province. The provinces were offered the choice of either a federal per capita grant of \$15 based on population or 50% of operating costs of post-secondary education, whichever was greater. Implementing this proposal, Parliament passed the Federal-Provincial Fiscal Arrangements Act in March 1967. This Act authorized the transfer of specific percentages of federal revenue plus required cash from the federal treasury to the provinces for a five-year period commencing with the 1967-68 fiscal year.

The financial resources transferred to the provinces were \$422 million in 1967-68; for succeeding years they were \$530 million in 1968-69, \$654 million in 1969-70, \$786 million in 1970-71, \$880 million in 1971-72, and \$987 million in 1972-73. The amount to be transferred to the provinces in 1973-74 was estimated at \$1,067 million.

Under the Adult Occupational Training Act the federal government, through the Department of Manpower and Immigration, provides occupational training to adults who are or plan to be members of the labour force. If, in the opinion of a manpower counsellor at a Canada Manpower Centre, it is in the best interest of the individual and of the economy for an adult to undertake training or retraining, the person may be placed in a training place purchased by the federal government from a public or private training institution or from industry. The program also provides for payment of allowances to persons whose training programs have been arranged by a manpower counsellor. Payments range between \$40.00 and \$128.00 a week, depending on the individual's economic responsibilities.

Under the Canada Student Loans Act (RSC 1970, c.S-17), full-time students may borrow up to \$1,400 annually to a total of \$9,800. Loans are interest-free while the student is enrolled and for six months thereafter. Provision is made for the total amount allocated to this program to be increased year by year in proportion to the increase in enrolment in post-secondary institutions. The purpose of the loan plan is to assist those students who, for financial reasons, would otherwise be prevented from acquiring a post-secondary education or would not be able to devote full-time to their studies. These loans may be made only on the basis of certificates of eligibility issued by the participating province. There is no upper or lower age limit for eligibility. Funds authorized by certificates of eligibility are issued by the chartered banks, the federal government guaranteeing the loans and paying the interest while the student is attending college. All provinces except Quebec participate; Quebec offers its own student assistance program for the benefit of residents of that province.

The Act provides for basic allocations for each province and also for supplementary allocations to compensate for differences in relative demand between provinces, based on provincial population in the 18-24-year age group. The basic allocations for the year 1971-72 for participating provinces totalled \$87.3 million with authority for discretionary allocations up to \$37.6 million, making a total maximum of \$124.9 million authorized under the Act. Loans actually authorized amounted to \$91.8 million. In addition, federal payments to lending institutions in respect of interest on outstanding loans and other operational expenses amounted to \$23.3 million.