

Department of the Secretary of State. In 1963 the education support branch of the secretary of state department was established to advise the Cabinet on post-secondary education. In 1967 it became responsible for administering those parts of the Federal-Provincial Fiscal Arrangements Act that related to post-secondary finance. By 1973 the branch's authority had been enlarged to include the development, formulation, implementation and review of all federal policies and programs on education. This entailed communication with provincial governments, the academic community and national organizations, and co-operation with the external affairs department to coordinate Canada's international efforts.

In addition to administering post-secondary adjustment payments, the branch took over the student loans plan from the finance department in December 1977. Students had received direct aid since 1939. However, not until 1964 was a comprehensive scheme adopted to assist those whose financial circumstances would prevent them from carrying on full-time post-secondary studies.

Under the plan the government guarantees loans made by chartered banks and other designated lenders to students on the basis of certificates of eligibility issued by participating provinces. The federal government carries the cost of interest payments on these loans while students continue full-time studies and for six months after. There is no age limit for borrowing. All provinces participate except Quebec which has its own student assistance scheme. Effective July 1975 the maximum loan per academic year was \$1,800 or \$900 per semester to a total of \$9,800. The repayment period may extend up to 10 years from the time a borrower leaves the educational institution. The act provides for basic allocations to each province and also supplementary allocations to compensate for differences in relative demand based on provincial populations between the ages of 18 and 24.

During 1975-76, 153,419 students received 190,893 certificates of eligibility with a total value of \$157.4 million. They negotiated 179,735 certificates for loans amounting to \$145.6 million. A small proportion of the students did not use their certificates or drew less than the authorized sum. From inception of the plan to June 30, 1976, lenders negotiated 1,369,884 certificates of eligibility for a total of \$935.5 million.

The revenue department has given students further financial aid. Since 1961 they have been permitted deduction of tuition costs from taxable incomes and since 1972 education expenses up to \$50 a month have also been deductible.

Health Resources Fund Act. In 1966 the federal government inaugurated a program of financial support to the provinces to provide facilities for training professional health services personnel. The Health Resources Fund Act (1970), administered by the health and welfare department, authorized establishment of a fund to be used for training or research facilities. Up to 50% of the cost of projects approved by an advisory committee is paid to the provinces. A total of \$500 million was to be applied to costs incurred between 1966 and 1980. Of that amount, \$400 million is available to the provinces on a per capita basis; \$25 million is available to the Atlantic provinces for joint projects; and \$75 million remains to be allocated by the Governor-in-Council.

Research support programs. The federal government operates a number of programs to promote research in the physical and natural sciences, social sciences, arts and humanities. The main channels for this support are the National Research Council, the Medical Research Council and the Canada Council. A tri-council committee coordinates their policies and programs. Other agencies and departments such as the Defence Research Board, the Atomic Energy Commission, Central Mortgage and Housing Corporation and the departments of agriculture and health and welfare also contribute to research. Support may consist of capital grants, operating grants, research grants, and contracts, scholarships and awards.

Other participants. The National Museums of Canada, the National Gallery, the National Film Board and the Canadian Broadcasting Corporation contribute directly or indirectly to various school programs.