I thank you for your letter and I intend to submit it to my colleagues at the next meeting of the Cabinet which will be held on August 26 next.

With kind regards, I remain

Yours truly, Jean Lesage.

PREMIER'S OFFICE

Regina, Saskatchewan, August 21, 1964.

The Right Honourable L. B. Pearson, Prime Minister of Canada, Ottawa, Canada.

My dear Prime Minister:

I have your letter of August 15, 1964 concerning contracting out arrangements for conditional grant and shared cost programs.

The government of Saskatchewan has no objection in principle to conditional grants as a method of initiating action in areas of joint jurisdiction; so we are not, in the interim period, interested in contracting out of type B programs. We do, however, find the administrative practices of certain of the agreements bothersome, so we would like to consider further some of the type C programs. In order to help us make a decision in this area, I would appreciate it if you could clarify the phrase "a contracting out province would agree to continue to carry on a program of this nature" in the last paragraph on page four. I would also be very much interested in the amount of cash compensation to be paid in respect of each of the type C programs.

> Yours truly, W. Ross Thatcher.

ONTARIO

OFFICE OF THE PRIME MINISTER AND PRESIDENT OF THE COUNCIL

> Toronto, Ontario, August 21, 1964

Dear Mr. Pearson:

I have your letter of August 15 in which you review the conclusions which you reached subsequent to consultations held on June 8 and 9.

These propositions are receiving study and, as you suggest, I will correspond with you further at the earliest possible moment.

With kindest personal regards,

Yours sincerely, John P. Robarts

The Right Honourable Lester B. Pearson, P.C., Prime Minister of Canada, House of Commons, Ottawa, Ontario

MANITOBA

OFFICE OF THE PREMIER Winnipeg 1

September 4, 1964.

My dear Prime Minister:

I have received your letter of August 15 in which you outline the general terms to be followed in implementing your government's policies on "contracting out" of conditional grant and shared cost programs.

The government of Manitoba is more interested in the rationalization of our fiscal relationships but the particular "contracting out" programs concerned are receiving our attention. I shall inform you of our views at an early date.

Yours sincerely, Duff Roblin.

The Rt. Hon. Lester B. Pearson, P.C., M.P., Prime Minister of Canada, East Block, Ottawa 4, Ontario.

[Translation]

OFFICE OF THE PREMIER
Province of Quebec

September 9, 1964.

Hon. Lester B. Pearson, Prime Minister of Canada, Parliament Buildings, Ottawa.

My dear Prime Minister:

Your letter of August 15 last concerning the application of the opting out formula respecting conditional grants and joint programs was studied by the cabinet of the Quebec government. As you express them, we agree with the conclusions which resulted from the exchange of opinions between the representatives of our governments, and I am pleased to say that the government of the province of Quebec confirms this agreement. With kind regards, I remain

Yours sincerely, Jean Lesage.