

imbedded in the amendment to the Act itself, and thus today we are still engaged in an attempt to find solutions to our financial relations.

SPECIAL PROGRAMMES AND SUBSIDIES

"The statutory subsidies are the oldest form of payments by the Dominion to the provinces, and formed, as I have indicated, an important part of the terms of Confederation. While their relative importance has gradually diminished, other forms of financial assistance have taken their place. In the second phase of Dominion-provincial financial arrangements, these took form in federal participation in special programmes in the fields of provincial responsibility and in special subsidies to the provinces of one kind or another. The first shared-cost programme was in 1913. In ensuing years additional grants for shared-cost programmes have accounted for a rapidly increasing volume of federal assistance to the provinces. Special subsidies for the Maritime Provinces were proposed by the Duncan Commission of 1926 and the White Commission of 1934 and were subsequently incorporated into the structure of the statutory subsidies themselves. Other significant special subsidies were those paid the Western Provinces by the Dominion in compensation for the retention of certain of their natural resources following the Turgeon and Dysart Commissions of 1928 and 1934. By far the largest special subsidies, however, were those payments made to the provinces by the Dominion during the 1930's to assist in the relief of unemployment.

EARLIEST UNCONDITIONAL PAYMENTS

"It was in the third phase, following the report of the Rowell-Sirois Commission, that the first venture was made in unconditional payments beyond the original conception of statutory subsidies. It was to be coupled with what came to be regarded by some provinces as an erosion of their constitutional rights in the field of direct taxation although it also marked the first clear recognition of fiscal need as an element in Dominion-Provincial financial relationships. I refer to the War-time Tax Agreement of 1942 and the Tax Rental Agreements of 1947, 1952 and 1957.

"Thus we see that the arrangements that have governed Dominion-provincial financial relations have been undergoing a fairly continuous process of adaptation, in response to the growing complexity of our modern economy and its development under a federal system. In 1867 payments by the Dominion to the provinces cost the Federal Treasury a little over \$2 million. Now they far exceed \$1 billion per annum. It is well to keep in mind something of this history as we contemplate the arrangements which it is now proposed should govern the financial relations between the Dominion and the provinces.

"I believe the essential point to remember, as we enter yet another phase in Dominion-provincial fiscal relations, is that the Constitution establishes the underlying principles and prescribes the division of rights, responsibilities and powers which govern these relations. This has been the determining consideration in the approach of the present Federal Government to the problems of Dominion-provincial financial relations...."

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HEALTH EXPERT TO JAMAICA

Mr. Charles B. Walker of Ottawa, a statistician in the Research and Statistics Division of the Department of National Health and Welfare, will be the World Health Organization consultant in a study of public health problems to be carried out by the Government of Jamaica this spring.

Mr. Walker left for Kingston, Jamaica, on March 17 for about a month to get the project under way. He will return for a further visit during the summer to assist in organizing and interpreting the study findings.

The study will examine present work programmes of public-health nurses and inspectors, determine the trend of public-health problems now facing the island, and make recommendations regarding use and training of staff.

HEALTH PROBLEMS CHANGE

Jamaica is faced with a changing picture of public-health problems, as attention shifts from the traditional diseases of malaria, pulmonary tuberculosis and yaws. The health of the average islander has been improving, though protein deficiency continues to be a problem. In addition other ailments are making themselves felt, such as polio, which first appeared in epidemic proportions on the island in 1954.

Mr. Walker's assignment with WHO is an example of work being done by officials of the Department of National Health and Welfare in assisting The West Indies and Central American countries in health and welfare studies. R.F. Curran, the Department's Legal Adviser, is now completing the writing of new health legislation for the islands of Trinidad and Tobago. Dr. Joseph W. Willard, the Deputy Minister of Welfare, has carried out technical assistance assignments in Costa Rica, Puerto Rico and Jamaica, the last with Dr. C.A. Roberts, Superintendent of the Verdun Protestant Hospital in Montreal and formerly Principal Medical Officer, Health Insurance Studies, of the Department.

The technical assistance work for which Canadians are lent to WHO is in addition to contributions to The West Indies under the Canada-West Indies Aid Programme, through which Canada has undertaken to provide aid to the value of \$10 million over a five-year period beginning in 1958.