

The Local Initiatives Program has received an increasing measure of acceptance from the public during its years of operation. There has been continuous reassessment and adaptation of the program. Each year it has been restructured to eliminate weaknesses revealed by experience. The Local Initiatives Program has proved to have the capacity for flexible application to situations unforeseen when the program was started. The provision of financial assistance up to \$500,000 by the federal government to the community of Springhill, Nova Scotia following the disastrous fire in July 1975 for example was not given as an outright grant. It was organized and controlled through a special phase of the LIP program. Approved projects were designed for immediate implementation to aid the community and to provide employment for local people.

Many LIP projects have not been welcomed on the provincial level. By their nature they have forced the pace of development of community services. Provincial and municipal authorities have been placed under pressure to find alternative funding for these services when federal support ran out. Officials of the Division were asked to describe the amount of liaison the Division had with the provinces and municipalities in deciding on priorities for LIP grants. Mr. Mackie replied that both before and after program announcements are made consultation does take place. The provinces are asked which projects they feel should be given priority; which projects "they would not be prepared to support should they create a continuing demand, largely service projects often day-care centres, sheltered workshops and the like." He gave specific details of this consultation:

During the approval process two things occur. First of all, projects are all referred to the provinces for their comments. There is no absolute veto by any means, but we seek the advice of the provinces in relation to those types of projects which, in their view, meet their priorities. In addition, at the local level, wherever possible, there is consultation with officials—not so often at the municipal level unless it directly relates to a project which would require municipal funding or municipal licence, but certainly with organizations that might be affected by the operation of the project.

The information resulting from such consultation becomes part of that which is considered when the constituency advisory group reviews projects and ultimately when the minister makes his decision. (7:8)

In spite of what would appear to be a considerable degree of prior consultation with other levels of government likely to be called upon to provide financially for the continuation of projects when LIP funds are finished, ample evidence of dissatisfaction was available to the Committee. At least two meetings have been called by provincial Ministers responsible for manpower policy during which a strong resentment about what has been termed the 'parachuting' of programs onto the provinces was voiced. The view was expressed by a provincial public servant appearing before the Committee that there is a need to involve provincial authorities to an even greater extent in the discussions about which projects will receive approval.

The people as a whole are not concerned whether you have a federal tag or a provincial tag on this. If you do something and you help them out—it may be over a short-term—they want