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Federal block funding for provincial social services

Increased funding and greater flexibility for the provinces form the basis of social services financing legislation introduced in the House of Commons on May 12 by Health and Welfare Minister Monique Bégin.

The legislation provides for federal contributions for social services such as day care for children, transportation for the disabled and home support services. Federal contributions to social services will rise in the next ten years to \$70 for each Canadian from the current national average of \$22, or from a total of \$577 million in 1978-79, the first year of the new funding, to approximately \$1.9 billion in 1987-88.

Under the proposed Social Services Financial Act, provinces will receive lump-sum payments for social services rather than a percentage of actual expenditures (formerly the Federal Government contributed about 50 per cent of the provinces' costs, under the Canada Assistance Plan). A renewed and conditional shared-cost approach had been proposed in the social services bill introduced in the House of Commons in June 1977. However, after provinces had expressed their desire for greater flexibility, federal and provincial welfare ministers met in Ottawa in March, and agreed to adopt a block-funding approach. A similar funding arrangement has been in effect since April 1977 for health services.

Ottawa's contribution under the block-funding agreement will be based on a formula that takes into consideration the amount of money the provinces received in 1977-78 for social services under the Canada Assistance Plan, the Vocational Rehabilitation of Disabled Persons Act, and the Young Offenders agreements in some provinces. In addition, the fund will be increased each year, based on the growth of the gross national product and of the population. Approximately \$150 million will be added to the block fund next year to provide for further development of new services. During the ten



Monique Bégin

years, provincial differences above or below the current national average contribution will be eliminated.

New era of co-operation

"This social services financing bill signals the beginning of a new era of federal-provincial co-operation," said the minister. "And it is co-operation based on trust. Although concerns have been expressed about the freedom provinces will now have to spend these funds as they decide, I have every confidence that the provinces will continue to meet the social services needs of their area. Both the Federal Government and the provinces are committed to providing as effective and appropriate a network of social services as economically as possible."

"This new arrangement will provide for the development of social services, and will also allow the provinces to have greater flexibility in order to meet their own requirements," she stated.

Probable inclusions

While specific social services will be determined by the provinces, it is expected that they will include: crisis intervention; information and referral; family planning;



The Royal Military College of Canada, in Kingston, Ontario, opened one-hundred-and-two years ago tomorrow, with a class of 18 gentlemen cadets.

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