

the local going wage up to a limit of \$115 per week. Additional funds are provided to cover mandatory employee check-off payments. Sponsors are most frequently individuals, but local government bodies, service clubs and welfare agencies, citizens' committees and recreation organizations have also been sponsors.

The allocation of funds is made according to an involved formula designed to concentrate them as much as possible in those parts of Canada where unemployment is most severe. In the period reviewed federal constituencies were used as the geographic unit of organization. A minimum of \$75,000 was allocated for application in every constituency. The effect of the recently announced restrictions will confine LIP grants to areas of high unemployment only. Total funds available for distribution in 1974-75 for LIP were \$84,356,100. In the first three years of the Local Initiatives Program approximately 44,000 applications were received of which approximately 15,000 were approved. Projects have been classified by the type of work undertaken. Grants toward the provision of social services (28.3 per cent) predominate, followed by building construction (21.8 per cent) and non-building construction (15.5 per cent).

Low income was a decisive factor in the involvement of both males and females in the Local Initiatives Program. These projects brought into the work force a small percentage of workers who had not previously been counted. Housekeeping was given as the status of 7.3 per cent of the participants immediately prior to being employed in a LIP project in 1972-73. (7:54) But LIP attracted workers primarily from among the unemployed; 30 per cent of all workers who had been unemployed before their involvement in a LIP project had been without employment for a minimum of 21 weeks; five per cent had experienced a period of unemployment longer than 50 weeks. The fact that LIP attracted participants who had been unemployed for a long time is regarded by the Branch as a major accomplishment for the program.

In sum the Local Initiatives Program created approximately 238,000 jobs in the first four years. The Division's submission discussed at length the strengths and weaknesses of the Local Initiatives Program, making it clear that the original economic objective has now been extended to include wider social goals. LIP is now seen as a means to "enhance the quality of communities through the provision of innovative and imaginative projects." The selection of projects rests ultimately with the Minister who is advised in each case by a local Constituency Advisory Group. Members of Parliament are invited by the Minister to nominate up to twelve persons to these committees. A variety of backgrounds is desirable. Representatives of local municipalities, social and voluntary agencies, and previous LIP sponsors are most frequently appointed. Nearly two hundred Constituency Advisory Groups have been established. Where no group has been formed, officers of the Division meet with community organizations and agencies to seek their advice before making recommendations to the Minister.