

point of close to a year's experience with the Programme, and from study of the commencement of the National Health Grants 14 years ago, I am convinced that, while the \$5 million provided under the Act still remains in the estimates, it would not be possible for us to spend this whole sum wisely each year in the early period of the Programme. This is largely a matter of the inability of the many organizations and of the provinces who will receive federal funds to plan and organize effectively for their expenditure.

"As I stated when we first met, our desire is to build soundly rather than quickly, and, at the same time, to develop ways in which substantial aid can be given at the community level where it will have the most far-reaching effect. One of our aims must be for a balanced Programme. We have felt, and a number of Council members have pressed this view, that there will be increasing need for close scrutiny of projects in order to secure a balanced development.

AGREEMENTS WITH PROVINCES

"Our most important step in this direction is, of course, the agreements now being signed with the provinces through which an additional \$250,000 is being made available, under non-matching conditions, for the balance of the current fiscal year. You have been provided with copies of the agreement which has been drawn up and which has already been signed by Newfoundland, Prince Edward Island, Nova Scotia, New Brunswick, Ontario, Manitoba, Saskatchewan, and British Columbia. We hope it will shortly be accepted by the remaining provinces.

"A second major achievement in this regard, and one which will profoundly influence the development of fitness and amateur sport in Canada, has been the implementation of the Postgraduate Scholarship-Fellowship Programme. A total of 40 persons have been assisted in undertaking advanced studies in fitness and related subjects this year. They have come from, and will return to, all parts of Canada, to provide the professional leadership and skills that are perhaps the most pressing need of the Programme at this time.

BURSARIES AND SCHOLARSHIPS

"A number of different views have been expressed regarding the provision of assistance to training at the undergraduate level. It will be recalled that, at the first meeting of the Council, you recommended that all bursaries and scholarships should be granted by the Federal Government. For our part, we were keenly aware of the fact that this is an area of basic concern to the provinces. I think you will agree that the method adopted, under which the Federal Government awards both undergraduate scholarships and bursaries on the recommendation of the provinces, appears to be an acceptable and satisfactory solution, which will take into account both the views of the Council and of the provinces.

"We should hope, at this stage, that the Council might move from the *ad hoc* basis on which you have dealt with scholarships and fellowships to one of a more permanent nature. Certain proposals will, therefore, be put to you regarding the setting up of a permanent Council Review Committee and of a panel made up of representatives of the provinces and of schools of physical education to review applications for awards.

RESEARCH PROGRAMME

"Our programme of research has commenced in a satisfactory manner. Grants have already been made for research at the Universities of Montreal, Ottawa and Alberta, and a number of very promising projects are being developed. In the research area again, we felt that a more permanent machinery might be set up for dealing with projects. Our thought has been that panels to cover different areas of research should now be established, composed of professional personnel with special knowledge of the different research fields, together with a Committee of the Council, which would give overall consideration to research matters in relation to the total Programme.

"Mention should also be made of the work carried out by the Council at its first two meetings in the development of criteria for grants, and for fellowships and scholarships. This forms the backbone of the reference manual with which you have been provided, and which is proving of great help to organizations and persons requesting grant and bursary aid.

"You have also received copies of the various application forms to be used in requesting aid. This documentation, of course, greatly aids organizations and students by helping to ensure that all relevant factors are presented when an application is made. I have no doubt it has also been of assistance to the Committee reviewing grants for consideration at this session of the Council. This information is also very helpful to Treasury Board in its study of requests for grants which you have recommended, and in the audit of expenditures under the Programme....

FITNESS FESTIVAL

"A good deal of praise has been given to the work carried on in the public-relations and information-services area at the last Council meeting. Mr. Foster will be reviewing the Fitness Festival with you, and I believe, has an interesting film to present. Some 20,000 spectators viewed the Festival, in addition to the many thousands more who watched the 40 spot demonstrations throughout the grounds. The fact that some 2,500 persons participated directly in the spectacle made it a truly imposing demonstration.

"The Festival not only provided stimulation to the associations participating in it but also afforded an unusual display of the wide variety of enjoyable programmes by which Canadians can raise levels of fitness through leisure-time activity. The CBC filmed

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