

- 6 -

Under the terms of the agreements, the total federal contribution would amount to \$29 million over the 10-year period, as follows:

(a) an annual appropriation of \$2 million, later increased to \$2,070,800 upon completion of the agreement with Newfoundland and Northwest Territories, to be applied towards expenditures for vocational schools training, including both capital and operational training costs as specified in the agreements. This amount was allocated between the provinces on the basis of an unmatched grant of \$10,000 to each province, and the remainder as a matching grant to each province based on the provincial proportion of total population in Canada in the age group 15-19 years;

(b) an additional amount of \$10 million (later increased to \$10,304,950 upon completion of agreements with Newfoundland and Northwest Territories) for approved capital expenditures for expansion and extension of vocational schools training facilities, on a matching basis, allocated on the same basis as (1) above.

The Department of Labour, in conjunction with the Vocational Training Advisory Council, had carefully reviewed the experience under the present agreements, the necessity for continued federal-provincial assistance for vocational training, and the representations received from the various provinces. In the light of this review and of these representations, he recommended that the agreements with the provinces be renewed from April 1st, 1955, on the following terms:

(a) the term of the agreements to be for ten years;

(b) the total annual federal appropriation to be provided under the agreements for contribution to the provinces to be \$5 million;

(c) a revised formula to be used for allocating the total federal annual contribution of \$5 million between the province as follows:

(i) an unmatched grant of \$10,000 to each province with \$1,500 to the Northwest Territories;

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