## Municipal Grants Act

payments, an application can be made to the court to vary the order as it is done at the present time. But the person who is suffering will not be suffering if we have a federal-provincial fund that will say to the deserted wife or the deserted wife and children, or the person who has not been economically deserted until there is a missed payment, that the individual can now rely on the court order, that a cheque will be issued on a regular basis.

This procedure would also give the opportunity to have people hired by the court or hired by whatever Crown corporation to follow an individual and make certain that individual does keep up his payments.

## PRIVATE MEMBERS' MOTIONS

[English]

The Acting Speaker (Mr. Corbin): Order, please. Shall all orders listed under Notices of Motions preceding Order No. 95 be allowed to stand by unanimous consent?

Some Hon. Members: Agreed.

• (1630)

[Translation]

## **MUNICIPAL GRANTS ACT, 1980**

AMENDMENT TO SECTION 2(2)(F)

## Mr. Gaston Gourde (Lévis) moved:

That, in the opinion of this House, the government should consider the advisability of amending Section 2.(2)(f) of the Municipal Grants Act, 1980, in order to include paragraphs 3 and 4 of Schedule II dealing with docks, wharves, piers, piles, dolphins, floats, breakwaters, retaining walls, jetties and drydocks which should be taken into account in the determination of grants to be paid to municipalities in lieu of taxes.

He said: Mr. Speaker, as you just indicated, I have tabled a motion for the purpose of amending Bill C-4 which was passed by the House on July 15, 1980. The purpose of this motion is to amend, and this may seem somewhat complicated, Section 2(2)(f) in order to include paragraphs 3 and 4 of Schedule II, and so forth. The House will recall that at the beginning of this session, on July 15, 1980, as I said earlier, a Bill was passed, with the unanimous consent of all Parties of this House, and I think that is very important, a Bill known as the Municipal Grants Act, the official title being: An Act respecting grants to municipalities, provinces and other bodies exercising functions of local government that levy real property taxes.

This Bill, of course, dealt with the problem of relations that exist or ought to exist between the Government of Canada and

Quebec municipalities. The issue has been raised several times in recent months by PQ politicians who touched on various questions which, I feel, should be analyzed in the light of the motion I have tabled which concerns more specifically the inclusion, in the determination of grants in lieu of taxes for instance, in the riding of Lévis, of dry docks that belong to the federal Government, and in Lauzon, of dry docks located within the area occupied by Davie Shipbuilding, a company that is well-known in the Quebec City area.

In adopting Bill C-4, the Government of Canada saw itself as a taxpayer with the same obligations as all citizens of this country. The Bill is an important piece of legislation for the Government because it sets the conditions under which the Government determines the grants to be paid to municipalities in return for the benefits it enjoys at the local level. Through this legislation, the Canadian Government has agreed to act as a responsible citizen who understands that the services he receives must be paid for by all residents of a municipality, since otherwise municipal costs are not shared equitably.

It is in the interests of senior levels of Government to ensure that municipal and urban structures are sufficiently sound for municipalities to fulfil their role adequately. Our Constitution recognizes the exclusive authority of the Provinces to legislate with respect to municipal institutions and on other matters of a local and private nature. A municipality owes its existence to the province, it has no inherent jurisdiction and it can only exercise such functions and powers as may have been delegated by the province. The Canadian Government acknowledges those characteristics of the Canadian Constitution.

Section 125 of that Constitution prescribes that Crown property is not liable to taxation. That section notwithstanding, over the years the higher levels of both federal and provincial Governments grew to the extent that they account for a sizeable share of landed property. At the municipal level, taxation geared to benefits received improves the quality of local democratic life and the efficiency of services, in short it makes the local Governments more stable and more responsible. One must admit that, with respect to most municipal services, it is difficult, if not impossible, to put an exact cost on services rendered to a given citizen. In Lauzon, for instance, it is difficult to identify the cost of services rendered by the city to the Canadian Government with respect to drydocks, for example.

A tax load sharing mechanism based on a fair index of benefits received in the form of unspecified collective services must be used. Traditionally, it has been considered that the real value of taxable landed property is indeed a fair index of benefits received. The recording of the real value is done on the basis of the same concept, the concept of market value which is the basic value used for many decades in real estate assessment and which has often been generally accepted in the field of jurisprudence in Quebec and in the other Canadian provinces. Tax equity calls for the integrity of the tax basis