

*Grants to Municipalities*

● (2110)

As many members of the House have pointed out both in the House and in committee, this is a bill which is long overdue, and I certainly associate myself with those sentiments. There is one concern, however, which I would like to raise and draw to the attention of the Minister of Public Works. I trust it will be passed on to him. When Bill C-3 was introduced into the House last December by my colleague, the hon. member for St. John's West (Mr. Crosbie), it was my understanding that apart from Ottawa and the national capital region—this immediate region—Kingston and area would receive priority in the administrative arrangements required in the four-year phasing in of this legislation. I was assured of this by the former minister of public works, my colleague, the hon. member for Yukon (Mr. Nielsen), and I trust that the present Minister of Public Works will see that that commitment is carried out. The reason why Kingston and area are important in this regard is that one only has to look—

**Mr. Knowles:** The minister is here now.

**Miss MacDonald:** I am glad that the Minister of Public Works has arrived, and I trust that he will listen to my supplications with a very real interest, because when I mentioned that there was special preference given in the preceding bill to the position of Kingston and area, it was because of the very large federal presence there and, of course, this area will be a major beneficiary under the bill.

One only has to look at the list of the holdings the federal government has in the Kingston area as presented by the minister in committee to see just how much of a federal presence there is in that region. One can very quickly list them: Bellevue House, the residence of the first Prime Minister of Canada, Sir John A. Macdonald; the Canadian forces base at Barriefield Village; the Royal Military College; and then the large number of federal penitentiaries and related institutions. All of these are located in the Kingston area, and I know that those in the constituency which I represent will be very glad to see the passing of this bill. I trust that the minister will indeed see fit to give Kingston the same priority which was accorded to it by the previous government.

The minister has also stated that over the four-year period which will be required to phase in this new legislation an additional \$25 million will be available. In the committee, as I understand it, he was not able to provide a municipality by municipality breakdown of the figures which would be received, how much each municipality or constituency would be receiving when that \$25 million is allocated. I realize that because this legislation is bringing more property under the act, that is, property which still has to be assessed, it is not possible to provide the information I request at the moment, but I hope that the minister and his department will work very closely and quickly with municipalities all across the country to see that these figures are made available. Again, the reason is very clear. The municipalities must start their work of budget planning for next year immediately, and without a concrete figure from the federal government as to how much

they will receive, it is difficult for them to establish the priorities of spending that they would otherwise be able to do.

I have one final comment. As many hon. members have already pointed out, municipalities in this country face a wide variety of problems. This bill is not going to resolve all of them. However, it represents a move in the right direction, one which we had certainly tried to put into effect as the government.

I note that the minister has undertaken to set up a special task force to deal with problems which affect municipalities and which are not dealt with in this act, and I hope that when his report is made public—as he has mentioned that he would do—all members of Parliament will then have an opportunity to comment on it.

**Mr. Cyril Keeper (Winnipeg-St. James):** Mr. Speaker, I rise to speak on this bill for the second time. I suppose by now we are all familiar with its specific contents, but I think there are some general principles and concerns which deserve comment.

The bill deserves support because it will give further financial aid to municipalities, and that is worthy and necessary. In addition, the minister's commitment with regard to a task force to look into further aspects and problems with respect to this bill deserves applause, and we will be glad to see that report within the year promised and to see that report come back to the committee for close study.

Even though this legislation deserves support, there are still fundamental problems of principle with regard to it. The basic problem with this legislation is that we continue to operate on the basis of a grant system to municipalities rather than on the basis of the principles of a taxation system. That is, rather than the federal government's acting as a taxpayer like any other taxpayer in a municipality, the federal government reserves unto itself arbitrary authority to decide, in the final analysis, the amounts of money which go to the municipalities and the process by which the money eventually gets to the municipalities.

There was a good number of submissions before our committee, and I think that if the committee had wished to do so it could have had many more public submissions and certainly much more in-depth discussion with the groups which came before it. The other fundamental problem with this legislation is that there has not really been adequate and sufficient consultation and involvement with the people affected by the legislation to come up with what I would consider totally satisfactory legislation.

I am not asking for pie in the sky. I am not asking for something which cannot be done. I am actually seeking something which has been done already in at least one jurisdiction in this country. I think what we need is a reference of this legislation or at least its subject matter back to the committee, with the commitment on behalf of the government that the committee should undertake the drafting of new legislation based upon principles respecting the local taxation authorities rather than upon the notion of continuing the grant system.