

*Adjournment Debate*

need for this program. There should be no doubt about the need for it.

I have one letter here, for example, from the town of Ladysmith, British Columbia. The council there passed a resolution calling for the reinstatement of the community services contribution program. The council says in this letter, and I quote:

The termination of this program will have a serious effect on the finances on the town of Ladysmith. The council is presently faced with a program of improvements to the town sewer system, which is estimated to cost \$6.2 million . . . Unless further development within the town is stopped, it is essential that this program be proceeded with.

This refers to the sewer system program. Clearly, without the Community Services Contribution Program, development in the town of Ladysmith will stop. The council went on to say:

Without the expected contribution from the Community Services Contribution Program, the rates charged to the residents of the Town will be substantially higher than they otherwise would have been.

This is only one example of what is happening all across this country. This program is needed, and there is no way the government can say it is not needed and that through cutbacks in this area it is not hurting people right across the country. I have many other letters here, which are only a sampling. My time is up. I rest my case.

[*Translation*]

**Mr. Raymond Savard (Parliamentary Secretary to Minister of Public Works):** Mr. Speaker, I would like to reply to the question the hon. member put to the Minister of Finance in this House on January 12.

As my colleague mentioned, the government decided not to renew the program because of its desire to maintain expenditures in line with revenues. I can assure the hon. member that this decision was not easily arrived at and that this was done only after careful consideration. First, there was the question of whether it was appropriate for the federal government to continue to subsidize services which, as far as jurisdiction is concerned, were in fact the responsibility of the provinces and the municipalities. The question was not whether this was a good program but rather who was going to pay for it. Second,

there was the question of accountability, of whether the government's responsibility was at issue; that is, whether the government responsible for collecting funds through taxation should not be the one responsible for the expenditure of its revenues. Third, the effectiveness of the program was considered from the point of view of future job creation and compared to other programs, which seemed to show a better return for the money. Finally, Mr. Speaker, as I have just said, tax cuts were also a factor which influenced the decision. In an effort to achieve greater government efficiency, we studied the advisability of extending the current program with a view to allotting funds to new programs or more pressing priorities. A decision not to renew community service programs would allow more funds to be assigned to more important programs in 1982-83. The challenge lies in determining where the housing priorities of the federal government lie for the 1980s. We shall continue to hold informal discussions with our provincial colleagues and other interested parties. The minister would like to see those consultations help in ensuring continued federal housing assistance, and those programs and priorities lead to a better distribution of funds among them.

Mr. Speaker, under this program, the federal government earmarked \$400 million for municipal projects, of which \$150 million were assigned to 1979 programs, and \$250 million to 1980 programs. Over 3,000 projects in 1,000 communities have already received federal assistance. As the hon. member can see, that is a rather significant amount to provide local services to Canadians in each and every province. The hon. member referred specifically to the number of lost jobs. May I assure him that the number of jobs will remain the same under this program because federal assistance is guaranteed until March 1982.

● (2225)

[*English*]

**Mr. Deputy Speaker:** Order, please. The motion to adjourn the House is now deemed to have been adopted. Accordingly, this House stands adjourned until tomorrow at 11 a.m.

At 10.27 p.m. the House adjourned, without question put, pursuant to Standing Order.