

## HOUSE OF COMMONS

---

Friday, February 18, 1966

The house met at 11 a.m.

### ELECTORAL BOUNDARIES READJUSTMENT ACT

#### OBJECTIONS RESPECTING PROPOSED DIS- TRICTS IN BRITISH COLUMBIA, ONTARIO AND QUEBEC

**Mr. Speaker:** It is my duty to inform the house that five objections, signed by the hon. member for Kamloops (Mr. Fulton) and the hon. member for Vancouver-Burrard (Mr. Basford) and eight other hon. members in one case; by the hon. member for York East (Mr. Otto) and ten other hon. members in another case; by the hon. member for Nicolet-Yamaska (Mr. Vincent) and ten other hon. members in the third case; by the hon. member for Dorchester (Mr. Côté) and nine other hon. members in the fourth case, and finally by the hon. member for Lafontaine (Mr. Lachance) and ten other hon. members, have been filed with me pursuant to section 20 of the Electoral Boundaries Readjustment Act, with respect to the reports of the electoral boundaries commissions for the provinces of British Columbia, Ontario and Quebec respectively.

[Translation]

If the house will agree, I propose that the procedure followed on prior occasions in this session be again followed, so that the text of these five objections, together with the names of the members who signed in each case, will be printed as appendices to *Votes and Proceedings* for this day. Is it agreed?

**Some hon. Members:** Agreed.

[English]

**Mr. Speaker:** May I add a word at this time concerning the notice of objection filed by the hon. member for Kamloops, the hon. member for Vancouver-Burrard and others. When the notice of objection was initially deposited with me the first paragraph thereof included the words "and that this house do endorse the said objections". After consultation with the hon. member for Kamloops he agreed to delete these words from the notice.

### MUNICIPAL DEVELOPMENT AND LOAN ACT

#### ANNOUNCEMENT OF EXTENSION OF PERIOD FOR FORGIVENESS PAYMENTS

**Hon. Mitchell Sharp (Minister of Finance):** Mr. Speaker, I wish to make a statement on the Municipal Development and Loan Act.

Hon. members will recall that the purpose of this statute, which became law on September 5, 1963, was to provide an inducement to municipalities to accelerate the construction of municipal projects as rapidly as possible and thus to increase employment. The inducement took the form of an offer of \$400 million of loan funds at a modest rate of interest and an undertaking that 25 per cent of the principal amount of each loan would be forgiven in respect of project costs incurred up to March 31, 1966, whether or not the project had been completed by that date.

Municipalities in all provinces have taken advantage of the borrowing facilities provided by this legislation. The municipal development and loan board expects that it will have committed about \$390 million out of the \$400 million made available in loans to municipalities by March 31, 1966. In short, virtually every province will have fully used up its quota; indeed most provincial quotas are already fully committed. Some 2,300 loans will have been made to about 1,300 municipalities.

The bulk of the municipal projects being constructed under this program have already been completed, or are well on the way to being completed. However, some 200 to 300 municipalities are unlikely to be able to complete their projects by March 31, and will not therefore be entitled to receive the maximum forgiveness payment.

In some cases the delay in completing their projects is explained by the fact that some municipalities took a longer time than they had anticipated in taking all the steps necessary to bring their projects to the point of commencing construction. In other cases, after the necessary borrowing had been authorized by the province, bad weather, strikes, shortages of materials and manpower delayed the actual construction schedules. Some municipalities applied too late to expect to be able to earn much if any forgiveness. As a