British Columbia. Eventually this was foisted on the backs of the municipalities, and now it would appear that they are carrying the burden assisted by the provincial government. Many social services are now undertaken by the municipality which really belong to the provincial governments.

I want to say a few words in support of the C.C.F. amendment which deals with this very problem. I want to put this subamendment on the record again because we shall be voting on it very shortly, and some hon. members may have forgotten what it covers. It reads:

> That the amendment be amended by adding at the end thereof the following words:
> "(e) to provide assistance to the provincial governments in order to enable them to plan their financing in such a manner as to relieve the people of this country from the crushing load of heavy municipal taxation."

There is no need for me to explain in full this crushing load and what it consists of, as it is well known to all hon. members. For instance, education is taking approximately 50 per cent of municipal taxation. Roads also require a large portion of municipal taxes. Many roads must be widened, repaved and made stronger to carry the traffic of modern commerce, and this creates a heavy cost for municipal bodies.

Another problem is the small area of taxable land to be found in many municipalities. In the average municipality in western Canada anywhere from 25 to 35 per cent of the area is non-taxable, being taken up by parks, schools, churches, public buildings and so on. That problem is increasing. Those areas taken up by federal and provincial buildings, churches and so on go off the tax roll. So the burden falls upon the 70 per cent or less of the taxpayers who must continue paying taxes. Naturally the growth of population demands more services and makes it costly for water, sewage and so on. It is true to say that in the average municipality in the last ten years taxes have more than doubled, with no additional tax resources allowed to the municipalities. All the taxes are still borne by land and home owners.

These municipal taxpayers are the people who support both the provincial and federal governments with their taxes, whether they be excise taxes, sales taxes, income tax or other indirect taxes, so the burden has been added from that point of view as well. The municipal taxpayer must pay his way; failing to do so means the loss of his home or the loss of his land, and he is thrown out.

This subamendment seeks to give relief to that taxpayer on grounds which to my mind are logical. Municipal dwellers contribute most to federal revenues. They have the right to demand the return of part of these revenues to take care of their expenditures in the municipalities. Of the three governing bodies, the municipalities alone are confined to a restricted field of taxation. This field has not been enlarged for several generations and possibly could not be enlarged unless one of the senior governments relinquished a field of its own in favour of the municipalities. I personally am against inventing any new field of taxation for municipal dwellers, who are taxed enough already, but I would suggest one or two ways in which assistance could be given.

First, it could be given by carrying out the suggestion contained in the subamendment, that is by financial assistance provided through the provincial government earmarked for the use of the municipalities and if possible paid on a per capita basis, so that municipalities as they grew would receive more and more.

Second, it could be given by both governments accepting their tax responsibility in full on all properties owned within municipal limits. This principle has been more or less tacitly agreed to in the steps taken by the federal government recently. But I am not satisfied and I will not be satisfied until all taxes on federal buildings are paid by the federal government, thus rendering valuable assistance. These buildings logically should pay for the services rendered by the city, the water, sewers, police protection, fire protection, and everything else for which they now pay nothing. In paying for those services they would assume their rightful liability.

Third, I would suggest to the government the immediate abolition of sales tax and excise taxes on all municipal purchases. It is unfair for the senior government to impose taxes on a junior government, because it cannot come back at the senior government. It cannot even tax the post office in a municipality. Therefore it is helpless and hopeless, and it depends on the senior government to be great enough to realize the plight of the municipality and open its heart as far as sales tax on municipal purchases is concerned.

A fourth way would be direct assistance by means of loans. Some years ago, during the war, we had a very good act in operation; it is still on the statute books and has not been rescinded. It was the Municipal Improvements Assistance Act, under which self-liquidating projects in municipalities could be financed with money loaned by the government at 2 per cent. This act functioned splendidly and permitted several small towns in British Columbia to build up valuable