

Municipal Development and Loan Board

Mr. Sharp: Mr. Chairman, may I answer the question put to me by the hon. member for Qu'Appelle. The short answer is that if a municipality accelerates its program and can demonstrate this to the board, it is eligible for assistance under this legislation.

Mr. Hamilton: For the amount that it accelerates?

Mr. Sharp: That is right, for those projects that it brings forward into this period which would not otherwise be undertaken at this time or for that amount of expenditure which they bring forward. May I raise a question of procedure, Mr. Chairman, in order to avoid any misunderstanding. I should like to be sure that all hon. members understood what happened when they approved clause 2 of the bill. As all hon. members know, Bill No. C-76 that we are discussing today is headed, "Reprinted as Proposed to be Amended in Committee of the Whole". I understood that when we approved clause 2 of the bill we approved it as it appears in the reprint, that is, with the amendments proposed by the Minister of Finance last night, and that when we approve clause 7, for example, we will approve it as amended in the reprint.

The Deputy Chairman: Order. There has been some confusion in the mind of the chairman for some time as to what procedure we are adopting here. If it is understood by the committee that in carrying clause 2 we carried the clause in the amended bill, fine, but it must be absolutely understood that we have carried clause 2 as amended. I should like some instruction from the minister on this particular point.

Mr. Churchill: Mr. Chairman, it is a technicality, but to keep the record straight we are agreeable to whatever motion the chairman may wish to put. The understanding is, of course, that the bill was reprinted with these amendments to make it convenient for the house to study them rather than moving them separately and having to deal with them individually as they were read out. However the chairman likes to get over the technicality will be agreeable to us under the circumstances.

The Deputy Chairman: If it can be understood that we have passed clause 2 as amended in the reprint, and if when we carry clause 7 it can be understood that we are carrying it as amended in the reprinted bill that will meet the difficulty. Is that agreed?

Some hon. Members: Agreed.

The Deputy Chairman: We are now on clause 7 as amended.

[Mr. Hamilton.]

Mr. Chatterton: I should like the minister to clarify the last answer he gave. I understood him to say that if the project were accelerated by a municipality, that project would be eligible. Would the whole project be eligible? Let us put it this way. Suppose one municipality plans to build a municipal hall in January, 1964, and in order to become eligible under this plan they decide to build it in December, 1963. Suppose the project had an estimated cost of \$100,000?

Mr. Sharp: If hon. members will keep in mind that the purpose of this bill is to provide additional employment within the period of this measure, then I think the answer is fairly obvious. I point out to my hon. friends the words appearing in paragraph 1 of clause 7, which refer to the financing of a municipal project or part thereof. The purpose of that is to enable the board to finance that part of the project that is brought forward from the later period into the period covered by this bill. The financing may be in respect of the whole project; it may be in respect of that part of the project that is completed within the time limit or, if it is brought forward in such a way that a portion of the expenditure would not otherwise be made in the period, and is made as a result of this financing, then it is covered.

Mr. Chatterton: I am sorry, but I am still not clear. Let us take this example of the municipality that wants to build a municipal hall. Let us say the estimated cost is \$100,000. Let us say they accelerate that for six months. Would the municipality be eligible to get a two thirds loan and a 75 per cent write-off for the whole \$100,000, provided the project is completed within this period?

Mr. Sharp: The test is whether the expenditures are increased within the period. If they are the same as they would otherwise be within the period of the bill, then they have not added to employment within the period covered by the bill itself.

Mr. Chatterton: In other words, the answer to my question is no.

Mr. Sharp: If the project were going to be undertaken in any event, then the answer is no. If, however, the project was to be undertaken five years hence and it is brought forward into this year or next year, then it could be financed.

Mr. Chatterton: Then, the statement made by the Minister of Finance last night was indeed misleading because he did say that if any project were accelerated it would become eligible.

Mr. Lamontagne: The part that is being accelerated.