

Inquiries of the Ministry

municipalities or, perhaps, the provinces? How can they obtain money for the development of these projects at reasonable rates of interest?

Interest rates have been increasing. It is increasingly expensive for municipalities to obtain money in the market. A consideration of this subject involves consideration of the problem of making loans available to municipalities with the consent of the provinces.

A step in this direction was taken by the present government in making loans available to municipalities for the construction of sewage facilities. These loans are available under the National Housing Act as an extension of the national housing program. The problem might be approached on the basis that municipalities having certain transportation problems could obtain loans under this or some other measure. That would be one method of solving the problem. Under such a program the municipalities of Toronto and Montreal would qualify for assistance in the construction of their subways.

It is important in considering this matter to establish a principle so that we do not deal with one project at a time. If each project were examined individually the federal government would tend to say it is a local problem that should be dealt with by the municipality or the province concerned.

Our national development is somewhat hampered in the over-all picture when our municipalities face these huge expenditures. As some have said, perhaps the time has come for the establishment of a financial institution somewhat similar to the Bank of Canada through which the municipalities, with the consent of the provinces, could obtain loans for the construction of projects of the nature to which reference is made in this motion. There could be established a municipal loan bank for the whole of Canada or it could be handled on a provincial basis. The details would have to be worked out. Certainly valid arguments could be made for both proposals.

Those who adhere to the doctrine that constitutionally the provinces should control the municipalities prefer that an institution of this type be established on a provincial basis. The argument is also raised that not all the provinces are equally endowed with wealth and resources and they would have difficulty providing services to some municipalities whose needs are relatively as great as those of metropolitan areas such as Toronto, Montreal and Vancouver. As our municipalities develop they require the same type of financial assistance.

Although I do not think the house could approve of an individual project, as such, the notice of motion before us today points

up to the federal and provincial governments the need of reassessing the problems of our municipalities in attempting to finance large projects of this nature. It is necessary that this problem be considered to assist in the development of important projects the financing of which represents a heavy burden to municipalities all across the country.

Mr. M. J. A. Lambert (Parliamentary Secretary to the Minister of National Revenue): Mr. Speaker, I believe that the hon. member for Davenport has touched upon a crucial question raised in this notice of motion, which in itself is laudable. The hon. member who sponsors this resolution has clearly demonstrated the value of a bridge or tunnel to meet a transportation problem in the city of Vancouver. On examination it becomes clear that in the resolution the people of Canada are asked to assist financially in the construction of a transportation facility that would be of purely local benefit, and I would think—

Mr. Speaker: Order. I am sorry to interrupt the hon. member but I am obliged to advise him that his time has expired. I do not wish to interrupt the hon. gentleman in the middle of a breath, but it being six o'clock I do now leave the chair.

At six o'clock the house took recess.

AFTER RECESS

The house resumed at 8 p.m.

Mr. Speaker: The house will resume the business which was interrupted at five o'clock.

Mr. Chevrier: Where are the ministers?

Mr. Martin (Essex East): The ministers are not here yet.

BUSINESS OF THE HOUSE

REQUEST FOR AN ANNOUNCEMENT OF PROCEDURE
AFTER PRESENTATION OF BUDGET

On the orders of the day:

Hon. L. B. Pearson (Leader of the Opposition): Mr. Speaker, it is not easy to ask questions of ministers who are not here. While some of them are arriving perhaps I might ask the Prime Minister or the house leader whether he could give, if not at this moment, then when the house adjourns tonight, an assurance with regard to the business of the house during this week after the budget speech tomorrow night. Shall we be proceeding with the budget debate on Wednesday or, if not, shall we be dealing with some other business? If so, can the Prime Minister indicate what it might be?