

Municipal Improvements

and I think the monthly rental is \$27. One of the conditions was that each veteran should have two children. I think the average is slightly more than two. In the school section there was either a five-room or a six-room school. The municipality is now faced with the immediate problem of an addition to accommodate some five hundred extra children for whom they have to provide schooling. Under the present system this is a direct responsibility of the municipality. Obviously it is grossly unfair to add this great increase of school taxation for carrying charges, for the purpose of building a school, to the ordinary residents of that school section. Both the municipal and provincial authorities are working on the matter at the present time. There may be other cases like that across Canada but this is the only one I know of. I believe that in a case like that the federal government will have to assist either in the way of loans or by guarantees in some way, so that the money for these schools can be raised at the current rate of interest of about 2½ or 2¾ per cent.

This is a serious problem. Here we have a resident of a township who, all of a sudden, finds that his debenture rate on his school is tripled. I think it has gone up from ten mills to thirty mills. That is the estimate. I am not absolutely certain of my figures, but I think the figures have certainly tripled in that school section. Unless something is done, you will virtually bankrupt that school section; and through that school section, as the municipality as a whole will be burdened

with the debentures, you will run the danger of putting your urban municipalities in a serious financial position. I do not see anything in this bill, but I ask that the government give serious consideration to the problem which I have tried to present to the house.

Mr. DEPUTY SPEAKER: If the hon. member for Victoria, B.C. (Mr. Mayhew) speaks now, he will close the debate.

Mr. R. W. MAYHEW (Parliamentary Assistant to the Minister of Finance): I will answer the questions as best I can. I will try to answer the hon. member for Eglinton (Mr. Fleming) first. He implied that this act was still in operation, but it has not been in operation since 1941. There were some loans in 1941. There were some contracts made on which advances were made since that time. But no further contracts have been made.

Mr. FLEMING: That does not say that the act is not in operation.

Mr. MAYHEW: Well, it is in operation, but no additional loans have been made under it.

Mr. FLEMING: That is quite different.

Mr. MAYHEW: The hon. member also said that the annual report had not been tabled. The act provides that the report shall be tabled, and I think my recollection goes back to the time this year when I tabled that report. This is a copy of what I tabled at that time, and it reads as follows:

APPENDIX 2

THE MUNICIPAL IMPROVEMENTS ASSISTANCE ACT, 1938

Statement of moneys advanced, interest received, repayments of principal and balance outstanding, December 31, 1946

Province	Number of loans	Amount approved		Amount disbursed		Interest received		Principal repayment		Balance outstanding	
		\$	cts.	\$	cts.	\$	cts.	\$	cts.	\$	cts.
Prince Edward Island	1	7,000	00	7,000	00	932	64	1,623	14	5,376	86
Nova Scotia	7	641,436	96	641,436	96	81,783	85	108,768	30	532,668	66
New Brunswick	7	467,513	80	467,513	80	59,226	27	113,193	93	354,319	87
Quebec	17	1,859,731	74	1,859,731	74	150,088	54	325,470	92	1,534,260	82
Manitoba	5	205,988	00	205,988	00	24,785	20	73,802	64	132,185	36
Saskatchewan	28	851,100	81	851,100	81	107,172	26	245,776	80	605,324	01
Alberta	23	888,254	85	888,254	85	97,094	46	385,001	61	503,253	24
British Columbia	21	2,114,757	70	2,114,757	70	274,306	52	562,555	06	1,552,202	64
	109	7,035,783	86	7,035,783	86	795,389	74	1,816,192	40	5,219,591	46

I think, if the hon. member looks back in the records he will find that this has been tabled.

Mr. FLEMING: Will the hon. member permit a question?

[Mr. Adamson.]

Mr. MAYHEW: Yes.

Mr. FLEMING: I have done just what the parliamentary assistant proposes, and I think if he will look back in the records of the house he will not find any report tabled. What he