

*Municipal Revenue Sharing*

legislation in the Edmonton legislature that will give taxation authority to the city of Edmonton and to communities in the province of Alberta which are apparently suffering under a debt load that is unbearable in that province. The hon. member for Edmonton-Strathcona does not say it but he has given one of the most damaging indictments of a provincial government not assisting its municipalities.

**Mr. Alexander:** Let us have your prepared speech; time is running out.

**Mr. Anderson:** It is strange indeed that at the present time the province of Alberta is running a provincial election and the first half of the hon. member's speech is an attack on the existing provincial government. Hon. members in this House I am sure would agree that it was a litany of omission, of greed by a provincial government that is not willing to share its resources with its municipalities. But in absolute terms, as usually happens in this august House, after reading off a litany of sins which are under the direct control of Alberta, the hon. member concludes that it is the fault of the federal government. We are the ones that are doing this.

**Mr. Alexander:** Most things are.

**Mr. Anderson:** Let it be said in clear and absolute terms that the municipalities are the creatures of the provincial government. We in the federal government could not pass one iota of legislation which would give the municipalities a share of any legislation, provincial or federal, because we do not have that authority.

**An hon. Member:** You go through the back door. Just like the airports.

**Mr. Anderson:** Let me say it again. Some hon. members opposite are not aware of how our system operates. The municipalities are creatures of each province.

● (1730)

**Mr. Alexander:** We all know that.

**Mr. Anderson:** If the hon. member wishes to get legislation changed in order that municipalities, including the city of Edmonton, can provide better service to the people in their communities, he will have to direct the speech he made to the provincial governments. That is absolutely clear. I am pleased he should have stood up in the House today, during a provincial election, and said that the government in his province is not treating the municipalities fairly in the distribution of tax revenues. That is a damning indictment of the policy of the provincial government in respect to its treatment of the municipalities and it is much more effective when coming from a Conservative member of the House, at a time when there is a Conservative government in power in Alberta. A member of the NDP or of the Liberal party might be accused of being partisan, but the hon. member for Edmonton-Strathcona (Mr. Roche) cannot, surely, be accused of being partisan.

[Mr. Anderson.]

**Mr. Roche:** Mr. Speaker, I thought we came here to have a serious discussion on a serious subject. The hon. member is playing cheap politics by distorting my remarks. He ought to be ashamed of himself for using such cheap shot tactics.

**Some hon. Members:** Hear, hear!

**Mr. Anderson:** Obviously we must have struck home.

**Mr. Alexander:** No, you did not.

**Mr. Anderson:** If the hon. member was so serious, if his ideals are so lofty, if his motives are so much better than mine, why did he not put the blame where it lies, in this area of responsibility for the sharing of taxation funds, that is to say, upon the provinces, rather than use the federal government as a whipping boy though he knows the area is one over which it has no jurisdiction? If the hon. member's motives are so pure, why did he not make this clear?

It is the provincial government which is responsible for the situation involving the city of Edmonton which the hon. member so categorically put on record. I may be accused of being partisan but I listened carefully to what the hon. member said. He told us an extreme problem had arisen in Edmonton brought about by the financial policy of that province. The government of that province is Conservative. I listened carefully to what he said because he can certainly not be called partisan being, as he is, aligned with it.

The root of the difficulty basically is that the municipalities are limited to taxing real property. This area of taxation amounts to about 85 per cent of their revenue, the other 15 per cent coming from licensing, business licences and so on. The hon. member recognizes that this tax base is extremely limited. It is not only extremely limited, but this way of raising revenue is extremely unpopular; people in these communities get a real property tax bill once a year for a lump sum and any increases are very disturbing to them. The hon. member might have considered how the federal government could possibly become involved in a tri-partite discussion of this matter when it has no jurisdiction whatever in the field. It is strictly the provinces which have the right to change pertinent legislation if they wish to do so.

If there are to be changes, those changes will have to come from the provinces. May I put it on record that the provinces at the present time derive revenue from the proceeds of personal income tax, corporate income tax, sales tax, succession duty, and returns from government enterprises as well as returns from levies imposed upon natural resources whether by way of royalties or otherwise. In fact they have access to virtually all revenues accruing to the Government of Canada except customs duties. It would be very hard for the hon. member to convince us that the federal government, which is already running into budget deficits, should take the lead in steps to equalize the distribution of money to the municipalities, especially since he comes from the province of Alberta. Day after day we are told the federal government should be more responsible financially yet the hon. member is suggesting it is our responsibility to bring about the equalization of