

Would you agree that it is desirable to put the country further in debt to carry through these undertakings?

Mr. MOONEY: Not necessarily, but it may require, Senator Crerar, that as a national community we re-examine where we are now spending money, and perhaps we have come to the point as a nation when the total public revenues available to all levels of Government, and the present services and activities of all levels of Government should be re-examined with a view to asking ourselves as a nation whether in effect the money we are able to spend is being spent in places where it is desirable, at the moment, to spend it.

I have suggested, and I underline, that because the problem of urban growth and development with all its attendant heavy financial costs is so heavy, that I think as rate-payer citizens in the communities we come from are all saying we have got to do something about it. I have underlined that this cannot be, that these major undertakings that are before the municipal Governments of the country cannot be proceeded with because they are financially unable, with their limited resources, operating in the kind of a financial straight-jacket in which they have to operate, they are unable themselves to undertake and commit the communities that they administer to these heavy obligations. We have reached the point, in my view, when as a nation we have got to see the parallel interest that exists between all levels of Government, federal, municipal and provincial in these problems that affect urban well-being.

The lively and vital interest of the Federal Government is already demonstrated by the fact that we do have a National Housing Act which does make available money for urban housing and other related measures. We do recognize in part the element of parallel interest but we have not recognized sufficiently the idea or the necessity that because of this parallel interest there must be some inter-fiscal sharing, parallelwise, in the cost involved.

Senator ROBERTSON: I too have enjoyed very much your presentation but there is one thing I would like to ask you. Running through your brief is the idea, it seems to me, of direct relations between the federal and the municipal Governments. You seem almost to entirely eliminate the provincial Governments? Why is that?

Mr. MOONEY: I have not suggested, Senator Robertson, that the provincial Governments be eliminated nor does the brief suggest that. On the contrary we concede and admit in the brief, and point out that the municipalities are part of the constitutional framework whereby they are the creatures of their respective provinces. The municipal Governments contend very strongly that in these matters such as we have been discussing that the provinces should be involved finance-wise and otherwise.

Senator ROBERTSON: For instance, you said that in the representations made to the Prime Minister that a federal-municipal fund be created. Why would not the provincial Government be included?

Mr. MOONEY: I would have no objection.

Senator ROBERTSON: I realize you do not have any objection but why would the provinces be excluded?

Mr. MOONEY: Senator Robertson actually that term Federal-Municipal Fund is a term which the municipalities created based on the proposition that there had been more or less the equivalent of that in the Municipal Assistance Act of 1935 which was a Federal-Municipal Loan Fund. The provinces of course had to agree and I understand that they had to participate as guarantors in any loans made to the municipality, but in effect it was a direct loan fund between the federal agency and the municipal Government.

Senator DUPUIS: Mr. Chairman, may I ask a question of our good friend Mr. Mooney, who we must congratulate for a well drafted brief?