

Mar. 17.

# Bill Amalgamates Municipal Bureau And Railway Board

**New Body Given Power  
to Order Moratorium  
Preventing Suit Against  
Municipality in Default  
or That May Default**

## DEBENTURE ISSUES UNDER SCRUTINY

Attorney-General William H. Price's legislation providing for amalgamation of the Ontario Railway and Municipal Board and the Bureau of Municipal Affairs, under a new administering title of "The Ontario Municipal Board," with power to deal direct with floating debt applications from municipalities, to scrutinize debenture issues that municipalities may from time to time offer voluntarily for endorsement, and, more particularly, to order operation of a moratorium preventing suit against a municipality that is in default or may default, made its bow to the Ontario Legislature yesterday afternoon.

### Names Five Supervisors.

In a detailed statement on the proposed legislation, as furnished by the Attorney-General to the press, the board's "moratorium for municipalities" arrangement is explained as follows:

"The scheme set up is that the board upon request of a municipality or of 20 per cent. of its creditors may inquire into its affairs and, if satisfied that it is in default or may default, the board makes an order declaring the municipality subject to Part VI. Notice of the order is then published and a moratorium becomes operative preventing suit against the municipality and thereby avoiding disastrous consequences which might otherwise ensue. The board appoints a committee of five supervisors, two of them nominated by the municipality, two to represent creditors and a fifth independent person who will be Chairman.

"The supervisors will take charge over all financial aspects of the municipality's affairs, so that control may be obtained looking to the eventual working out of the municipality from a position of bankruptcy to a sound financial condition.

"The board will have ultimate and exclusive jurisdiction in all matters and an appeal will lie from any decision to the supervisors at the instance of any person affected.

### To Protect Creditors.

"Adequate provision for reorganization of the capital debt is made, with proper safeguards to protect creditors' interests by stipulating that any re-financing scheme must either be approved in advance by a majority of creditors or, if not so approved, it cannot go into effect if objected to by one-third of the creditors.

"One of the principal factors which have induced default on the part of

the municipalities is the very substantial amount of tax arrears upon vacant lands which cannot be collected by the ordinary means, including tax sale. Need for a simple and inexpensive method of vesting the lands in the municipality is indicated. Consequently Part VI. sets up provision for vesting title in the municipality where taxes are in arrears upon vacant lands for one year, and upon improved lands for two years, by registration of a certificate. When that is registered, notice is to be served upon all interested in the land as indicated by the Registry Office records, and a year is given for redemption.

"In the circumstances the greatest concern must be shown toward the ratepayer who pays his taxes, and to the creditor who has to wait for payment of the debt which is due, and their interests are to be preferred to those of the owner of vacant lands who is not paying his taxes.

"At present the act contains provisions relating only to municipalities in which there is registration of title, and not to those in which the land titles system is effective. Next year clauses to cover filing of vesting certificates in Land Titles Offices should be provided, but they will require further study before being drafted, and, it not being essential to immediate requirements, they are omitted from the present bill.

"Part II. of the bill sets forth the constitution of the board under the new name of 'The Ontario Municipal Board,' it being felt that, with a gradual diminution in its railway jurisdiction and extended jurisdiction in municipal matters, the new name will be more indicative of the main purposes of the board. The railway jurisdiction will, of course, remain with the board as heretofore.

"It is hoped that by the means thus provided municipalities will be able to avoid in many cases coming to the Legislature for confirmation of by-laws, with all the attendant delay, trouble and expense. While this may reduce to some extent Provincial revenues derived from fees for private bills, the annual saving to the municipalities should reach many thousands of dollars, even with a moderate charge made by the board to cover the cost of its service. This part also contains authority for the board to deal with floating debt applications, and thereby avoid applications being necessary for special legislation.

"Part VI. is entirely new, and contains the clauses dealing with the special jurisdiction to be exercised by the board when default occurs or is probable."

**SUPPLEMENTARIES**  
**TOTAL \$5,366,168**

Vote to Department of  
Public Welfare Is  
**\$2,072,000**

**\$25,345 WOLF BOUNTY**

Supplementary estimates for the current fiscal year, totalling \$5,366,168 were tabled in the Ontario Legislature yesterday by Hon. Edward A. Dunlop, Provincial Treasurer.

By departments, the votes are as follows: Attorney-General's, \$34,640; Education, \$1,582,900; Lands and Forests, \$8,125; Mines, \$1,329.63; Game and Fisheries, \$69,900; Public Works, \$1,231,017.87; Highways, \$33,825; Health, \$219,900; Labor, \$33,041.50; Public Welfare, \$2,072,000; Provincial Secretary's, \$5,825; Provincial Treasurer's, \$46,075; Agriculture, \$30,524; and miscellaneous, \$66,345.

Provision for a grant to Western University of \$300,000, which is \$50,000 less than the grant of previous years, is included in these supplementaries. Some other votes are: Services and expenses in game and fish law enforcement (additional), \$30,000; grant to Dominion Government for Hawkesbury-Grenville inter-provincial bridge, \$26,067.87; purchase and installation of wire-rope testing machine in East Block of Parliament Buildings, \$17,500; payment to Ontario Research Foundation for control work in connection with contagious abortion in cattle, \$3,000; additional allowances in connection with Old Age Pensions Act, \$2,000,000; grant to promote work of Ontario Marketing Board (additional), \$20,000; wolf bounty, \$25,345.

### Grant of \$20,000 Yearly Given Western University

Premier George S. Henry introduced a bill to the Legislature yesterday which provides for a grant of \$20,000 a year for ten years—a total of \$200,000—to the Medical Faculty of the University of Western Ontario. This assistance, Mr. Henry afterward told the press, is for the extension of facilities at Western's Faculty of Medicine. While no confirmation is forthcoming, it is anticipated that out of the grant will come some provisions for cancer research work as recommended in the report of the Ontario Cancer Commission.