

"... the ever widening gap between financial resources & responsibilities"

Ont. M.P. Appeals on Behalf of Tax-Burdened Municipalities

Text of a speech delivered in the House of Commons by Michael Starr, M.P., (Ontario) on Tuesday, May 18th, 1954 Mr. Chairman,

Although I have made extensive inquiries among practical experts in municipal finances, I have not been able to find anyone who had a good word to say for the Government's reply to the many appeals, pleas and demands which have been made for taxation relief for the 4,000 municipalities of our country.

Item 1—That the sales tax on the following goods be repealed: (c) equipment sold to or imported by municipalities for their own use and not for resale, at a price in excess of one thousand dollars per unit, especially designed for use directly for road making, road cleaning or fire fighting, but not to include automobiles nor ordinary motor trucks.

In the first place it is limited to two classes of municipal expenditure, those on roads and fire-fighting equipment. In the second, it limits the exemption to purchases within these categories where the per unit cost exceeds \$1,000.

I shall discuss these absurdities in detail in a moment. First of all, however, I think it should be said that the off-hand and careless manner in which this important subject was handled in the Budget appears to me—and to many others with special knowledge of, and experience in, the municipal field—to prove as conclusively as anything could, the complete unconcern of the Government for the plight of the municipalities in this matter of excessive Federal taxation.

Here we have the evidence that the representations of worried and harassed municipal officials, and their associations, are regarded by this Government as unworthy of serious attention or honest thought, even of reasonably precise draftsmanship.

The shock, with which the Budget announcement was received by municipal officials, throughout Canada, was twofold. First of all, there was the keenest disappointment that the request for fair treatment for the municipal level of government, had been so arbitrarily—might almost say jocularly—brushed aside. The fair treatment which they demanded—and which they still demand—is the same treatment, in the matter of tax exemptions for the poorest level of government (the municipal), as that enjoyed by the richer provincial and federal levels.

representations, made by the municipalities, had resulted only in this impractical declaration of policy, that a first year school trustee would have been ashamed to be associated with.

The first absurdity is the limitation of exemptions to road and fire-fighting equipment. What possible sense can this make? Does this government really think that roads and fires are some special kind of municipal responsibility? Apparently so. It would seem, therefore, to be time for somebody to make it clear that these are only two categories, of hundreds of categories, of municipal services which are today of the utmost importance to millions of Canadian homeowners.

Mr. Chairman, we all know that in other fields we regard some kinds of money as tainted. I respectfully suggest to the government that any money it obtains from these sources falls into that category. We know that, according to current fiscal policies, some fields of taxation are regarded as especially fair game to the taxing authorities.

Surely, Mr. Chairman, it is not too much for the municipalities to ask—even at this late date—that an immediate survey be made by the government of this whole field of municipal expenditure, so that whatever action may be taken in the future will at least be realistic, practical and in keeping with the facts of the situation—not just with the fancies of some dreaming draftsman.

To give only a single example, from a jurisdiction with which I am familiar—a general exemption from sales tax of school board purchases in the City of Oshawa alone would mean a saving of some \$35,000 to \$40,000 to the citizens of that community.

Dear Mother: How are you? How I wish I could come to see you this Mother's Day! But as that is impossible, here is a second best—a visit by letter. I'll be phoning long distance around noon, if my call can get through.

It is always such a comfort to hear your voice—but three minutes goes so quickly! I never quite get time to ask you all the things I want to know—and I usually realize after I have hung up, that in the excitement of talking to you, I had forgotten something I wanted to say.

As I struggle with the varied activities of three children, I often marvel at the patience you had with all the projects we four youngsters carried out! What fun we had with the neighborhood "gang" in our back yard! I remember one Spring and Summer, following a visit of a circus to town, we had a series of circuses.

We collected pets from everyone in the block and put them into improvised wooden crates for cages as our "Wild Animals". They were wildly indignant at such strange treatment! Do you recall our tumbling acts, the mouth organ numbers, choruses and recitations on our Entertainment Program? Pauline Johnson's "Flint and Feather" was much used as suitable poetry for a circus!

Do you remember the hot Saturday afternoon when the borrowed tent collapsed on the indignant audience, each of whom had paid a 5c admission fee (including a weak lukewarm lemonade drink)? No one was hurt. But to pacify the spectators, you gave us a plate of fresh-baked cookies to pass around.

Another thing I'm always grateful for is your allowing me to have pets. When our Inky seems to be tracking into the house more than her share

to municipalities in this whole matter of sales and excise taxes would mean a saving to that one community of almost \$200,000—or more than 3 mills in the municipal assessment.

The second absurdity in the token treatment the municipalities received last April, is the limitation of the exemption to unit purchases exceeding \$1,000. What possible sense can this have? Does it mean that this government believes that there is some virtue—worthy of special reward—in bigger and better spending? Perhaps so—at least we have some evidence that some of our federal departments think so.

Agnes Macphail believed in Canadian women and devoted her great and generous life to the enrichment of theirs. When she died last February she left her house in perfect order.

The country girl from Grey County, first woman to be elected to the House of Commons, held that seat from 1921 to 1940, and during that time, conducted almost single-handed, a crusade for prison reform. As early as 1927 when no woman was allowed to visit penitentiaries, the intrepid Agnes Macphail stood on her right as a legislator, presented herself at the formidable North Gate at Kingston and refused to leave until she had marched through the prison from dome to dungeon.

It was then the indefatigable ex-schoolteacher began her long and valiant struggle for better and more humane conditions in Canadian prisons. Agnes Macphail was a superb orator but greater than that, she was the purest of humanitarians. Her compassion was boundless but beyond that, she felt a personal responsibility for the welfare of these forgotten people. Her unceasing fight for justice throughout the prison riots of the early thirties and afterwards, resulted in the appointment of a Royal Commission to investigate conditions in Canadian penal institutions. The findings of this Commission later became the famed Archambault Report, one of the most challenging documents on Canada's penal problems.

Agnes Macphail was a pioneer of a dedicated kind. She held fast to her high principles and accepted her public responsibility with unflinching zeal and a yeoman courage. New horizons unfolded for Canadian women through her pointing

spending mentality—yet under the present policy of the government they would be foolish to pay a mere \$900 for a road-machine, when they can actually win friends with this government—and even save money—by paying \$1,001. But apart from that aspect, I am wondering if the government, in its mania for large spending, has completely forgotten that \$1,000 in many little items is just as important to the municipal tax-payer, as a \$1,000 spent on a single item. The very nature of municipal financing means an excess of small over large items. It is part and parcel of the thrift and good housekeeping which characterizes municipal spending. Yet, it is currently penalized, and penalized heavily, by the federal government.

The third absurdity—I might almost call it a prize boner—is the limitation of road equipment exemptions to road "making" and road "cleaning". Has anyone in this government ever stopped to think, that the making and cleaning of roads are actually less than 50% of average road expenditures by municipalities? In other jurisdictions, of course, these may well represent a larger portion of the whole, but on the municipal level, road "maintenance" is the big item. Then why was it not mentioned? Perhaps someone will say that this is a mere technicality, but I cannot agree. The words as they stand are specific and they do not include maintenance. Nor do they include bridges—also an important item in municipal expenditures. If the omission was merely carelessness—as I suspect it was—then

our municipalities at least know to what extent they may in the future expect serious, thoughtful and painstaking consideration of their problems by the present government.

The fourth absurdity—and it has already caused endless difficulty—is the careless phrase "ordinary motor trucks". Can anyone on the government side of the house—or anywhere else for that matter—tell me what an "ordinary motor truck" is? Is it a motor truck to which no snowplow is attached? If so, and I believe that is the current ruling—does it cease to be ordinary when the snowplow is attached? Should the municipality, therefore, pay its toll to the federal government in summer but not in winter, in good weather but not in bad? And what, Mr.

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Notes and Comments

Try More Walking

With such innovations as the drive-in banks and, above all things, a drive-in church as announced for New York's Bronx, one begins to wonder if people will eventually forget how to walk.

It seems people are getting away from walking. Far too many of us won't walk if we can figure out a way to avoid it.

Whenever the subject comes up, the quick and easy answer is: "The automobile is to blame." But, as a writer in This Week magazine truly says, this dictum is just a simple way to pass the buck. The automobile has countless legitimate and constructive uses. Nothing good can be said for the abuses and they arise from plain laziness in many cases.

Walking is an ideal form of exercise for both young and old. The subject of exercise was summed up a few years ago in the Lancet, a British medical journal, by Sir Adolphe Abrahams, a noted physician.

Primitive man, Sir Adolphe observed, had plenty of exercise. The main part of their activity was walking.

The auto has been recommended as a way back to nature. Never have we had such a convenient means of reaching the great outdoors. The big trouble is that once we have driven there, we generally refuse to get out of the car. Only the man who does stop and get out will discover nature in relation to himself.

The man walking can learn the trees, flowers, insects, birds and animals, the significance of the seasons, the very "feel" of himself as a living creature in a living world. He cannot learn these things in a car.

STIVER BROS. 50 YEARS IN AURORA

Stiver Bros. Aurora Elevators last week marked 50 years in business in our neighboring town. The present premises near the C.N.R. are the same with the exception of a few additions.

The Aurora depot of Stiver Bros. is nearly as old as the firm itself. The partnership started at Unionville in 1900. So successful did it prove that in a very short time the Mat-

thews Company asked the young firm to take over management of its elevators in Stouffville and Richmond Hill. Mr. F. L. Stiver was in charge at Stouffville, while his brother-in-law, Joseph Watts, took charge of Aurora operations. In 1915 the young firm bought the interests of the Matthews Company, excepting Richmond Hill, and has carried on at Unionville, where new offices were opened recently, and Stouffville and Aurora, ever since.

Canadian Builders

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FOR PARENTS ONLY

"LETTER TO MOTHER"

By Nancy Cleaver



of mud, I recall the very special place Togo had in our home. How his stubby black tail wriggled with joy whenever we paid him any attention! How eagerly he would bring a ball to us, drop it at our feet, and beg us to play with him!

You welcomed our friends and our pets, but most of all, Mother, you never were too occupied or too weary to welcome us when we came home from school. On blustery winter days it was so good to come bursting in the door to the warm house and call, "Mother, are you here?"

When we went away to complete our education and to work, and later when we were all in homes of our own you have always stood by us. It has been so comforting to turn to you in our anxiety or perplexity.

Then too, it has been a great source of strength to us to know that each morning when you waken you remember us, one by one, in your prayers. I am very sure they help us through each day. As we think of you too at that time, the miles between us seem to vanish.

With love, from your "middle" child.



Where oh where does the money go?

That's a question we all ask ourselves! We ask it at Imperial too. And the answer is to be found in our annual report.

Here is where each Imperial dollar went last year.

- 53 1/2% went to buy crude oil and other raw materials.
28 1/2% went to operating costs... including pay cheques to our employees.
10% was gobbled up in taxes... and this doesn't include the provincial gasoline tax.
4% was used to replace worn-out equipment.
The rest... 4%... was dividends to our shareholders for the use of plants and equipment bought with their money.

