

# What Municipalities are Doing

Contributions from Municipalities to this Column will be most welcome.

## **British White Paper on Local Government**

Within the past year the British government published a White Paper on "Local Government in England and Wales During the Period of Reconstruction." This Paper proposes no radical reform in the structure and functions of municipal government but rather looks to a continuation of trends already in evidence. Among these trends are developments in the direction of larger units, greater use of joint authorities, more central government grants, further centralization of certain services, and, at the same time, an extension of local government activities.

In order to adjust the administration of the numerous expanded and new services of government to larger areas, the government expects to rely upon the centralization of services and increased use of joint boards. It is opposed to a general policy of centralizing services which were regarded in the past as essentially local, but does not rule out some centralization if it appears justified on the merits of particular cases.

The government has not overlooked objections to joint boards covering more than one local unit with their membership indirectly elected. It does not, however, believe that the difficulties involved are so great as to warrant delay in carrying out the reconstruction program. "The number of services in which joint planning or joint action is essential is, after all, limited, and where in the development of the program combined action is required, it should be possible to find acceptable means of insuring it." This type of organization would in no sense preclude future integration of the joint bodies in any area into a single compendious unit.

It is proposed in the White Paper that a central boundary commission be set up to adjust when necessary the boundaries of local units. In general, the decisions of this commission would be subject

to Parliamentary review. The Minister of Health would be empowered to give the boundary commission general directions for guidance on broad issues.

It is expected that, if such a commission were set up, larger units would result. Boundary revisions, once made, would normally be unalterable for ten years. This would make possible a degree of stability indispensable to future planning.

Even though some services formerly local in character are being centralized, the scope and range of local government activities in the post-war era will be greater than ever, since many new functions are being added. This fact creates a difficult financial problem for the poorer local units. In part it can be met by larger units and by the use of joint authorities, thus creating a larger financial base for the services. A considerable financial problem would still remain, however, and the government proposes to increase central government grants to localities. A general reorganization of the financial relation between central and local units is promised in the near future with a bias in favour of the poorer authorities.

Announcement of the government's intention to retain the existing county and county borough framework and to establish a boundary commission was favourably received in the House of Commons.

---

## **Recent Nova Scotia Legislation Affecting Municipalities**

During the 1945 session, the Nova Scotia Legislature passed certain legislation of interest to municipalities. A brief review of a few of the salient points of these enactments follows.

The Dissolution of Incorporated Towns Act provides machinery under which an incorporated town may make application for its dissolution. The Minister of Municipal Affairs is empowered to

examine into the assets and liabilities of the town dissolved, and may make provision for the disposition of the assets and for the manner in which the liabilities are to be assessed on the ratepayer. When a town is dissolved, the Governor-in-Council may purchase debentures issued for street purposes or may assume responsibility for payment of the principal and interest. Before dissolving a town, the Minister may require the approval of the ratepayers and also of the municipal council of the district of which the town will form part after dissolution. It is hoped that as a result of this Act, there will be consolidation of local units where it is most urgently required.

Under the Education Act, the Council of Public Instruction is authorized to make grants to school boards for the purpose of increasing teachers' salaries beyond the amounts paid in the school year ending July 31, 1944. The grants are to be fixed by the Council, but must not exceed \$300 per teacher. The Council is also empowered to make an annual payment of \$500 to a school board employing a full time supervisor of physical education.

By virtue of an amendment to the Mothers' Allowance Act, an allowance not exceeding eighty dollars a month may be paid towards the maintenance of one dependent child of a mother who is incapable of earning sufficient to keep the child because of permanent physical disability. This allowance may also be paid when the mother has residing with her another child of her own over the age of sixteen who is unable to support himself because of permanent physical or mental disability. She is entitled to the allowance when her husband is permanently physically disabled and is residing with her, or when the welfare of one child requires an allowance to be made.

Minimum weekly compensation is set at \$12.50 under the Workmen's Compensation Act, and maximum compensation is based on average earnings not exceeding \$2,000 a year. Silicosis, however, acquired, is now classed as an in-

dustrial disease whereas formerly it only applied to mining.

Amendments to the Rural Electrification Act contained a few new features. Under the Act, the Governor-in-Council is empowered to impose a tax on consumers of electricity. This tax may be fixed either on the quantity of power purchased or on the basis of the prices paid. In either case an upper limit is placed on the tax rate which may be set. This limit is lower in the case of a consumer for industrial use than it is for a consumer for domestic or commercial use. The Act also provides that an owner is entitled to such compensation as the Governor-in-Council may determine when the Power Commission places poles or other works on private property.

The Public Highways Act authorizes the Minister of Highways to declare any area to be a parking area which is outside the limits of a city or town and which adjoins a highway. A parking area is a restricted area insofar as the erection of buildings, fences or trees is concerned. The Governor-in-Council may make specifications as to the type of structure which may be built in a parking area. The Minister has authority to remove any building erected in contravention of the Act. Provision is made for compensation to the owner of property affected by the provisions of the statute.

The Veterinary Assistance Act was extended so that any group of farmers may organize a local board under the Act and appoint two members to it, provided that the board is organized before December 31 of this year. Such a board may then receive assistance from the Provincial Treasury.

The Municipal Affairs Act, first passed in 1935, has since been amended many times. For convenience of the municipal authorities, the Act has been consolidated and reenacted. The only change in the law is that additional power has been given to incorporated towns to borrow for certain purposes, for example, for the erection of hospitals or for constructing or acquiring an electrical system for the town.

### Larger Rural Units in Saskatchewan

In Saskatchewan, where the government's intention to create larger rural units has been announced, the first step will be the formation of a committee, representing the Department of Municipal Affairs and the Saskatchewan Association of Rural Municipalities, to draw up a plan of reorganization. The plan is to be submitted to the municipalities for criticism and suggestions and will then be presented to the Minister for preparation of the final plan. Provision has been made for a local expression of opinion before a larger unit is established. According to the Minister's announcement, no action will be taken until the government has received a petition from 100 electors in a proposed larger unit requesting that it be established. Then, if a petition is received within a reasonable time from 100 electors opposed to the formation of such a unit, a vote will be held to determine the issue.

### Family Allowances and Income Tax

As the welfare budgets of municipalities may be affected in some measure by the family allowance payments which begin in July, any information which relates to these payments is of interest to local governments. There is now general understanding as to the amounts to be paid, conditions of payment, etc.,

but there was until recently uncertainty as to the relation between family allowances and income tax deductions permitted because of dependent children. A statement of the Minister of Finance has, however, clarified this question.

Under the new ruling, the adjustment will be based, not on income tax deductions, but on family allowances received. In filing income tax returns for 1945, the taxpayer will take credit for the deductions as before, but a person receiving both deductions for dependents and family allowances will be required to refund a portion of the payments received during the year.

The scale of refunds is so arranged that all persons earning under \$3,000 a year will retain some portion of the family allowance payments, even though they have also taken credit for income tax deductions. The following table shows the percentage of family allowance payments which may be retained in addition to any deductions claimed from income tax:

Income for Year:		Percentage of Family Allowance Retained
Over	But Not Over	
.....	\$1,200	100
\$1,200	1,400	90
1,400	1,600	80
1,600	1,800	70
1,800	2,000	60
2,000	2,200	50
2,200	2,400	40
2,400	2,600	30
2,600	2,800	20
2,800	3,000	10