

Of course, there is no objection and there may be positive advantages in the centralizing of technical advisory services at Ottawa, available to all the provinces in their wrestling with the innumerable problems of public welfare administration. But if the provinces are not vital communities which can be trusted to determine their own pace of advance in these matters where circumstances enable them to be peculiarly competent, scarcely any assured sphere for provincial autonomy remains. If, as has been argued, provincial autonomy must be relied on as a principal safeguard of liberal democratic values, some patience must be shown while provincial and municipal

governments find their feet in a relatively new field of activity.

Deep forces are making for centralization in all federal states at the present time. These have been given greater weight and momentum by the war. Under the best post-war conditions that can be hoped for, Canada is not likely to be able to settle for measures less drastic than those proposed by the Sirois Commission. At the same time, the Commission studiously sought to preserve a large and important sphere for provincial autonomy. The provinces must be alert, not so much to resist encroachments by the Dominion as to justify by their works their continuance as independent units of government.

## Emerging Problems in Local Government

By G. S. MOONEY

IT is difficult, if not impossible, to present an over-all picture of the problems of municipal Canada, and to contend that these problems are uniformly present, or that they reflect universal concern. There are such vast ranges in the municipal scene that seldom, if ever, are two communities or their problems completely comparable. Generally speaking, however, the problems of municipal governments are related to areas, functions, finances and administration.

### An Adequate Area for the Municipal Units

The continued survival of our overlapping and uncoordinated jungle of contiguous but independent local municipal units, presents one of the most vexing problems in municipal administration. Failure to provide an acceptable formula whereby the administrative unit can be made large enough to perform its functions properly, has led to all sorts of difficulties.

It has led to confusion, discrimination, and frequently to local friction and ill-will. In some instances it has brought about local tariff walls, tax and trade restrictions. It has negated efforts to plan for the rational growth and development of the larger area. It has required, especially in metropolitan areas, duplicatory staffs and services, which, with notable exceptions, have proven more costly per capita, and less efficient, than those available in the central city. Having to defend their isolation, jealous of their local rights, many suburban municipalities have become citadels of reaction and stumbling-blocks to broad civic progress, insofar as the welfare of the metropolitan area is concerned.

What is the solution? Certainly the answer is not as simple as the advocates of all-inclusive annexation and consolidation so vigorously proclaim. For annexation takes no account of the very legitimate factors which led to the development of these suburban communities in the first place.

Elsewhere the conflict between

EDITOR'S NOTE: G. S. Mooney is Executive Director of the Canadian Federation of Mayors and Municipalities with headquarters in Montreal.

suburban and urban communities has been satisfactorily overcome by introducing the principle of federalism into metropolitan civic government. For instance, the borough system of London, and that more recently adopted for Greater New York. The example and experience of these large cities is equally applicable to smaller urban areas. It is along these lines that we can best hope to rationalize the conflicting interests of multiple local governments, to set up some form of central administration, to spread the tax costs of metropolitan services, and at the same time conserve the democratic right to separate administration of purely local affairs, which suburban communities quite rightfully claim as their prerogative.

The reorganization of rural districts, the boundaries of which have in many cases been rendered obsolete by a withdrawal of population and by changes of the economic structure, gives rise to more difficult problems. Yet, it can hardly be disputed that rural districts should be organized into administrative units large enough in population and wealth to render essential services efficiently, that responsibility within the unit should be centralized, and that, in so far as possible, tax-raising and tax-spending activities should be unified and somehow settled in common for the area as a whole.

### **Broadening the Scope of Municipal Functions**

The past thirty years have witnessed a great expansion in the functions of municipal governments, especially urban municipalities. There has been a steady increase in the performance of new economic functions, and in the cost of activities made necessary by economic conditions. At the same time, the economic power of the local political unit has steadily declined. A reallocation of functions is imperative on all levels of government. But whatever the solution on the municipal-provincial level, matters of more than local concern, matters of paramount interest to the province, can no longer be left to a major degree in the

field of municipal government, or be regarded as matters of purely local concern.

Some municipal authorities argue that the time has come when local government should be relieved of the costs of education. They contend that this tax burden should be equalized and made uniform throughout the province, some would say throughout the nation. If local governments were relieved of this financial responsibility and, providing other costs, such as social services were not thrown back on the municipalities, then local government revenue would be adequate for the normal functions of municipal responsibility and administration, and, in most instances, permit a substantial reduction in the local tax rate.

Housing presents a problem no less difficult. There can be no doubt that an alarming and acute housing crisis has been piling up and awaits urgent action in the immediate post-war years. While the financing of such an undertaking is essentially one which the federal and provincial governments, along with private capital, must assume, the actual neighbourhood planning and probably the maintenance and administration, at least so far as low-rental housing is concerned, is a responsibility of local governments, a responsibility, which, in Great Britain, continental Europe, the United States and elsewhere, has long since been a normal function of municipal authorities.

Associated with housing are the problems of slums and town planning. So far as slums are concerned—surgical engineering is the only answer to the problem. Slums, and all they stand for, must disappear off the face of the land. Municipal administrators should regard this matter of slum clearance as the ranking A-1 priority in the reconstruction tasks of peace. There is, moreover, a great need throughout Canada for town planning, zoning, and related measures. Cities and towns, like Topsy, have "just growed." As a consequence, we have permitted uncontrolled subdivisions and speculative practices to make a crazy-

quilt pattern of our urban communities, with the result that to-day civic design is neither aesthetic, economic, nor functional. We must restore order into the disorganization of our civic pattern. We must widen our scope and conception of the role which town planning can play in reconstruction and in the building of a better community life.

Related to town planning is the problem of formulating a rational urban land policy which, while affording private owners and developers adequate opportunity for wise and profitable land uses, will curb abuse and speculation, and provide the machinery for the control and acquisition by the municipality of land required for public use, both for present purposes and for probable future needs. Only so can we hope to realize the full potentialities of a well organized, nobly-conceived, and functionally adequate community.

### **A Sound Basis for Municipal Finance**

From the storm of the depression years, when tax collections had dropped to an all-time low, and direct relief costs were stretching municipal revenues to a point where many were face to face with imminent default, local governments, for the most part, have sailed out from the rougher seas into calmer waters. The improved situation is largely traceable to the impact of the war: improved revenues, economies and curtailed expenditures, have, with few exceptions, restored municipal finances to the soundest basis in years.

As a consequence, municipal deficits are virtually nil, accumulated deficits have been wiped out, operating surpluses are common, debenture debts have been reduced, tax rates in many instances have been lowered, and a growing number of municipalities are now on a "pay-as-you-go" basis.

The precarious situation which municipalities faced during the depression years, coupled with the "rescue" which the war years have brought about, has been salutary in effect. It is easier to talk and practice municipal economy, even

in these days of relative municipal prosperity, than it was not so long ago when economy was much more relevant to the realities of the situation. In financial matters, Canadian municipalities have become as orthodox and cautious as the Bank of England. All this adds up to a problem.

For deferred maintenance, at present resulting in a saving, must be attended to sooner or later. The eventual cost will probably be greater than would normal maintenance in any one year. Likewise, municipal governments are piling up a vast backlog of postponed replacements and capital improvements. Moreover, when the war ends, and we get down to the stern responsibility of rehabilitating a million and a half of our fellow citizens in peace-time employment, there will probably be an interim period when municipal governments will be called upon to take up some of the slack in employment by a program of public works. Finally, in any case, municipal governments will want to play their part in the long-term task of national reconstruction. There will be slums to be cleared, downtown areas to be replanned and reconstructed, civic centres and municipal buildings to be erected. These and other municipal contributions to a better community will require adequate municipal finances.

There is widespread agreement that real property taxation no longer suffices as an all-sufficient revenue basis adequate to support the services which local governments are called upon to render.

Expert commissions—local, provincial and federal—have recommended various proposals aimed at a rationalization of the conflicting and overlapping tax policies of the different levels of government, and at establishing a tax and fiscal structure adequate to support the functions appropriate to each. Perhaps our most urgent national problem lies in this field. It is difficult to see how local governments can be expected to play their full and appropriate part in the tasks of reconstruction unless and until the long overdue reorganization of public finance throughout the Dominion has been

brought into line with present realities.

It is suggested in some quarters that grants-in-aid would provide a solution to the municipal fiscal problem. But, by and large, municipal officials are wary about grants-in-aid. They have not forgotten the depression years, and their experience with direct relief. They have no desire to be hamstrung by not knowing from one year to the next what precise policy and division of financial responsibility the provincial and federal governments may decide upon. Municipal administrators are seeking a clear-cut division of administrative responsibility, and an adequate financial base to support it.

### **Modernizing Municipal Government and Administration**

New governmental programs, present and looming, focus attention on the need for a well-trained and competent personnel serving all levels of government. Nowhere is the need greater than in the field of municipal service. A genuine career service in local government has been handicapped by many obstacles—among others, the insistence on local residence restrictions, niggardly salary levels, local favouritism and patronage, low standards of educational and technical qualifications, absence of, or inadequate nature of, pension and retirement plans, and low public estimate of municipal employment. These obstacles can and should be removed. It is obvious that many municipal units would not require the full-time services of certain trained personnel. Nevertheless, the services of employees of the larger units could and should be made available to them when required. This type of cooperation between different levels of government is pregnant with possibilities.

Among the wide variations which typify local government throughout Canada is the nature and use of the municipal franchise. In some municipalities the franchise is an exclusive prerogative of property owners, in others, the franchise is open to all adult males, irrespective of property qualifications; women, for

the most part, have no municipal vote unless they own property; in some cities, property owners alone elect the executive arm of the local government; during the depression years, many municipalities disenfranchised anyone receiving direct relief. These, and other restrictions and limitations of the municipal franchise, are a denial of full democracy in local government. They are out of step with the spirit of the times, and are hardly in keeping with a forward-looking democratic faith. Moreover, the fact that a disturbingly large proportion of the "voters" are wholly indifferent to the franchise presents grave problems. A reform of the franchise is due. Whatever the technique, the franchise must be restored to the role and importance it once held. For, in the long run, it is the enduring basis of all our freedoms.

Finally, proper administration and good government in municipal affairs requires a precise knowledge about local conditions. It is a truism that not enough is known about our urban problems to apply to their solution rational and intelligent decisions. We flounder around and do the best we can, generally prompted by the expediency of the moment, rather than formulating our policies on some well-considered, factually based plan. A Federal Bureau on Urban Affairs, such as suggested in the brief of the Canadian Federation of Mayors and Municipalities to the Royal Commission on Dominion-Provincial Relations, or some equivalent body, would prove of inestimable value to every level of government.

### **Conclusion**

The foregoing are among the chief problems facing municipal governments to-day. It is obvious that post-war reconstruction must proceed on the municipal as well as on the Dominion-Provincial levels of government. It is equally clear that the solution to certain of these problems will depend very largely upon the outcome of any re-adjustment of Dominion-Provincial relations, including future fiscal relations between the senior governments.