

Hon. Dr. A. P. Paterson Discusses Federal and Prov. Questions

Hon. Mr. Paterson after referring to the Coronation and to the death of his colleague Hon. Dr. Roberts, said:

"May I refer briefly to four of the branches of government with which I am directly connected as a Minister."

Old Age Pensions

Old Age Pensions and Pensions for the Blind, are handled by a Board of Directors: the functioning of the Board is controlled by federal legislation and federal regulations which are agreed to by the Province and by minor Provincial legislation. If any member of this House thinks there is anything wrong with the Provincial Legislation, it is his duty to have it corrected either by making a concrete proposal to this Government or by presenting a concrete proposal to this House; also if any member of this House thinks that the Federal law and regulations are wrong and can be improved it is his duty to make proposals for improvement to this Government or to me as the Minister directly concerned.

As no such proposals have been made by members of the Opposition it indicates that if their party were in power they would conceive no improvements or changes for the betterment of pensioners; and in view of the fact that their party when in power did not approve of granting pensions at all, they might if returned to power reduce the amount of the pensions or do away with them altogether, which, if in power, they would be in a position to do.

As I listened to the statements regarding pensions by some members of the Opposition, I thought what a pity it is that any member of this House for political party capital should stoop to hurting the feelings of persons receiving old age pensions by making them feel dissatisfied that they are not getting all that should be paid to them, knowing, as those members do, that such payments are controlled by laws and regulations which those members oppose have made no definite attempt to change.

The Federal Government recently called a conference of the representatives of all the Provinces to discuss the working of the pensions scheme in all the Provinces and to straighten out some irregularities that existed in some of the Provinces and to bring about a uniform functioning of all Provincial Boards.

Hon. W. P. Jones and I attended that conference and we enjoyed being told that no Board in any Province, was functioning more efficiently than our Board. I asked the direct question of the federal officials concerned: "Can you suggest any improvement in our system of accounting or in the manner in which our records are kept?" and needless to say I was very pleased to be told that they could not suggest any improvement in what our Board is doing.

I am not at liberty to publicly disclose all that was discussed at that conference but in view of the fact that the Hon. the leader of the Opposition has claimed, in effect, that because a certain Province was paying to all pensioners almost the maximum amount that the law allows, this Province should be doing the same thing, I feel at liberty to disclose one thing that was explained in connection with the handling of old age pensions in that Province.

It is in the examination of the financial position of a man and wife who were applicants, it was disclosed that the husband owned five thousand dollars in cash or government bonds, the Board of that Province decided that that amount should be considered as belonging half to each applicant; that the interest at 5 per cent on twenty-five hundred dollars would be \$125.00 and, deducting that amount from \$365.00, would leave \$240.00 or \$20.00 per month as the amount to be paid to each such applicant.

Does the Hon. the Leader of the Opposition suggest that our Board should follow that procedure? Whether he does or not, it will not be permitted by the Federal authorities in the future. It must be expected that occasionally it may be that some applicant is not receiving all that his position warrants, but when such cases have been drawn to the attention of the Board, they have been adjusted without unnecessary delay.

May I say to all members of this House, that it is the wish of this Government that all pensioners be granted the full amount that the laws and regulations permit and that if they hear of any case where a pensioner is not receiving the full amount that the Board is permitted to pay I will be pleased to be so advised and will see that all such clerical errors are corrected at once.

Municipal Affairs

When this Government undertook to establish a new Municipal Department charged, among other things with the supervision of municipal administration, it realized the importance of municipal corporations and their management in relation to the general economy of the Province. Although many statutes have been passed by this Legislature affecting mu-

nicipal administration there had previously been no governmental direction or regulation of this extremely important branch of the government. This was one of the matters committed to the care of my Department.

It seems almost inconceivable but it is nevertheless a fact that so little attention had been given to this subject in the past that it took months of research to find the names of municipal corporations and the statutory authority.

Our first endeavor was to secure basic information to find out what was going on and to determine the position of the various units and the manner and degree, if any, in which they had departed from statutory requirements.

I have tabled in this House our first report on the position of the municipal corporations and I commend it to your most serious study. You will observe that we have purposely refrained from making any comment or observation of an analytical character. The facts are there to speak for themselves.

I may say, however, that the Municipal report is the most complete and the most exhaustive report that has been published by any province in Canada and is being eagerly sought by those interested in municipal matters, both from a practical and an academic standpoint.

Many weaknesses have become apparent. Some of these have been corrected and are being corrected by my Department within the scope of authority already provided by the Control of Municipalities Act and other legislation, and legislation will be sought to assist in the correction of others. I am in a position to say now quite definitely, that it will be impossible to bring municipal corporations within the ambit of present legislation. Also that I question the desirability of trying to do so.

There is no doubt that much of the legislation is obsolete and in many respects it is confusing and ambiguous. Our objective is and, I feel quite satisfied, should be to eliminate practices which have developed in some of the municipalities and at the same time take advantage of improvements developed by the municipalities themselves, which will enable us to redraft municipal legislation to serve the needs of modern times and modern conditions.

Some imperfection will appear in our report, largely due to the different systems used in different municipalities and in some cases a weakness in county methods. On the whole, however, I believe the municipal corporations are deserving of the highest credit. Lacking guidance and advice, prior to the functioning of our Department, they have, generally speaking, done a good job.

During the period since the formation of the Department, we were very fortunate to secure the co-operation of the Institute of Chartered Accountants of New Brunswick, not only in making a study of municipal legislation in general, but also in preparation of a standard system of accounting. The co-operation of the Institute has been extremely valuable and I take this opportunity to thank the gentlemen of the Institute for the splendid assistance they have voluntarily rendered.

It is my expectation that during the current year, a standard system of accounting will be introduced in all the county units. This will mean the preparation of a manual and extensive assistance in the practical application of the plan which will be accepted. It has been our hope to extend the standardization during the current year to the towns, as well, but due to the limitation of staff and the tremendous amount of routine work, this will not be possible until another year.

By way of illustrating the detail involved in the work of the Municipal Branch, let me cite one instance only. You will observe on going through the report that each sinking fund is carefully analyzed. Under the heading of Debentures Issued, you will find a statement of actuarial requirements in each issue worked out on a four per cent basis. During the next three to four months each municipal corporation in the Province will be furnished, by my Department, with a chart indicating the actuarial requirements for each issue. And you will realize that this, in itself, is quite a task.

It is our intention also to build up a service we have already inaugurated to assist the municipalities in their Sinking Fund Investments, not only to enable them to purchase to the best advantage, but to acquire their own issues when favorable opportunity presents itself.

It has become apparent to us, as it is to a good many others, that most of our problems affecting municipal administration, and I include rural schools, have their foundation in a faulty valuation. This year, we hope to make material progress in the direction of correcting this basic trouble, but we have sufficient information how to indicate that the Rates and Taxes Act should be reconstructed.

May I draw your attention to the fact that our Municipalities collec-

tively, are in a better financial position than is shown by any estimate previously published, also that the amount of the sinking funds of our Municipalities collectively is very little short of legal requirements.

It is interesting to note that there has been no criticism of this department by members opposite.

Before concluding my reference to the Municipal Branch, I should like to pay a warm tribute to the Union of New Brunswick Municipalities. It was that body that first impressed upon the Government the need of a Municipal Department. The co-operation the Department is receiving from the Union is extremely encouraging and for my part, the Union shall remain and continue as a strong organization and the spokesman of the combined municipalities.

Regarding education, here also we see neglect on the part of previous governments to establish a department to handle what in some respects is the most important and far reaching branch of government and we see also the progressiveness on the part of this Government in furnishing machinery to provide our people with good government. This department was also allotted to me and here also I found myself in a field to which I had given very little consideration but to which I have since given a great deal of thought in order to acquire the knowledge necessary to efficiently do this job. Last session the Honourable the Leader of the Opposition severely criticized this Government for putting a layman at the head of this department.

Education

At that time I wondered if there were not some grounds for the criticism but with this year's experience I have found that we have in this Province in our departmental heads, our teachers, college professors and others connected with education a group of persons fully equipped with all the knowledge, experience and desire necessary to place this Province in the front rank of educational advancement, a position I understand it occupied some years ago but which was lost through lack of money and the neglect of previous governments. What is needed at the head of this department is a person with executive training and experience.

In his unjustified criticism of what he claimed is unnecessary delay in providing improvements in education I was startled to hear the Honourable the Leader of the Opposition say: "Try something and if it doesn't work out try something else."

This is one branch of government which must not be experimented with. It is not possible to catch up with and correct wrong actions in education. They would affect the lives of the pupils as long as they live. I think we should pass that suggestion as one that was expressed without careful consideration.

The Honourable the Leader of the Opposition undoubtedly has a good grasp of educational subjects and may I compliment him on the part of his recent address in which he referred to the Coronation. I think his thoughts on that subject were most appropriate and beautifully expressed.

Improved Methods

In reply to the statements from the Opposition to the effect that nothing has been done by this branch, may I refer to some of the things that have been done.

Improvement in supervision of Rural Schools. By relieving the Inspectors of the work in cities and towns, and by the appointment of additional Inspectors, each man is to have the supervision of not more than 125 teachers instead of 250 or 300 as formerly.

Unification of the work of the Normal School staff and the Inspectors so that they will work as a team in helping the teachers and the schools. This is being done by exchanges. Inspector Brooks of Carleton County is this year teaching in the Normal School and Major Rouse is supervising Carleton County. This policy will ultimately inject new vitality into the teacher training and supervision service.

The program of studies in New Brunswick has not been changed for many years. A year ago a strong committee of Teachers and Educational Leaders was named to study the question and build a new curriculum. The Common or Elementary School part of this is now well advanced and the High School program will be reorganized without delay. Nova Scotia and the Western Provinces took three and four years to effect this reform.

A Summer School of Education and Fine Arts has been most successfully launched. Through this we have made some of the best leadership on the Continent available to our Teachers and they have responded loyally. Already a new spirit and a new approach are evident. In hundreds of our Teachers, they have shown high appreciation for the opportunities afforded them for professional improvement.

An open shelf library has been established in the Education Office to provide Teachers with the latest professional books. This is available

to all Teachers who are only asked to pay the return postage on the books.

The Academic, Vocational and School Book Branches have all been brought into the Education Building and organized under one Accountant. The Matriculation Examination has been unified.

A committee is now being organized to study and improve the Teachers' Pension Scheme in this Province.

A comprehensive scheme of Adult Education has been initiated under the Canada-New Brunswick Training Plan.

Exhaustive studies have been made in Kings and Westmorland Counties with a view to a general re-organization of the Units of Administration for Education. Everywhere there seems to be dissatisfaction with the small District Unit. This important question is receiving the most active consideration by the Department. Special studies have been initiated in Madawaska and Carleton Counties. It is felt that we must have a new financial set-up with Larger Administration Units before we can really modernize our Rural Education Services.

As with the Municipal Branch the educational branch has received splendid support and co-operation from those who are interested in education: with such support and co-operation only lack of money can prevent this Province having an up to the minute system of education and I wish to thank all those who so kindly assisted this department.

Federal Relations

This is a field which I have carefully studied, and it is only because of the knowledge that I have of this subject and my conviction that the improper functioning of the Federal Government machine is largely responsible for the handicaps from which this Province is suffering, also the need for correction in this respect, and my belief that such corrections can be made not only for the betterment of this Province but also in the national interest, that I am a member of this Government.

There was strenuous opposition in the election campaign by the Conservative party to the proposed setting up of a Federal Relations Department and one of the arguments used against it was that it would cost fifty thousand dollars per year. But the wisdom displayed by this Government in connecting this branch of Government with the badly needed municipal and educational branches, the Federal Relations branch is costing not more than a few hundred dollars per year.

The Honourable the Leader of the Opposition is reported to have said that if his party is elected he will do away with the department of Federal Relations and that he as Premier would handle this branch of Government. It is not difficult to understand why he would take that action: such has been the policy of previous governments to promote the interests of political parties and of individuals to the detriment of the people of this Province. But Premier Dymally and his Government have shown that the welfare of the people of New Brunswick is their first consideration with due respect for what is just and proper in all matters pertaining to Dominion-Provincial Relations.

The purpose of the Federal Relations Branch of my Department is quite generally known but it may be desirable to dilate to some extent on the functioning of that service.

Officials of that Department keep in constant touch with developments at Ottawa and where the interests of New Brunswick are involved the Government is kept properly informed.

It has been our endeavor, to keep a close contact with the Department officials at Ottawa to bring about a closer co-operation with the Province for the mutual advantage of both governments and to promote the best interests of the people of this Province.

Vital Link

It is hoped that this Department of Federal Relations is the forerunner of similar departments to be established in other provinces and that the development will lead to the re-establishment of the Department of Secretary of State for the Provinces at Ottawa to further promote Dominion - Provincial understanding and co-operation.

Originally there was such a department at Ottawa and it was apparently expected that the provinces would set up corresponding departments. The various provincial governments at the time neglected to make such a move and that Federal Department disappeared. As a result there has been a lack of close co-operation and understanding and a failure to respect the original agreements of union. After seventy years we are attempting to correct that situation but it is not reasonable to expect that a growth of seventy years can be changed overnight. There is no doubt that this Department of Federal relations is a vital link and I feel that members will agree with me that it is a funda-

mental step toward restoring the original plan of union.

Of necessity details of work being done cannot be laid before this House. Only those features may be made public which reach the stage of Governmental action or action by this House, but I feel that thoughtful consideration of what has transpired in the past and what is transpiring, will indicate that this Department is playing an important role.

Pursuant to the resolution passed by the unanimous consent of this House in 1936 this Government requested the Ottawa Government to take steps to bring this Province into its rightful position as a partner in this confederation.

Subsequently the sphere of reference of the Royal Commission that has been set up by the Federal Government was extended to embrace the basis of confederation and to the re-examination of Dominion-Provincial Relations for the past seventy years. This is the first Royal Commission that has ever been vested with such authority, and much information of provincial and national importance will be disclosed.

Some people seemed to be of the opinion that this department should be the Honourable the Leader of the Opposition suggested, declare war on Ottawa. But the object of this department is to promote co-operation with the federal departments, for the purpose of securing just treatment for this Province and to help in solving the tragic problems which now confront this nation.

Throughout the year there have been many matters that have been dealt with and corrected; there are a number of matters that are now being dealt with. Considering the length of time this department has been functioning, the fact that it is a reform in government and that there has been much opposition to it, chiefly through lack of understanding of its possibilities, the progress made by this department has been very gratifying.

It is a matter of history that any reform for the betterment of the people is at the outset opposed by those connected with established conditions as well as by many of the people it is intended to benefit.

This department has received splendid co-operation from the Ottawa Departments, and I think I can safely say that the Ottawa Departments generally regard it as a step

in the right direction to promote better government by the Ottawa Government and closer co-operation between the Province and the Dominion.

Industrial Expansion

My Department has also endeavored to provide some improvement in the way of systematic industrial expansion. I might cite various individual cases and several that are now in the course of development.

I would direct your attention particularly to the fisheries survey that was made last year and the Fisheries Advisory Committee that was appointed to recommend policies that would lead to expansion. That report, as was stated in the Speech from the Throne, has been presented to the Government and will in due course provide a basis for definite action.

Another and wider programme of expansion and direction is presently in contemplation but of this I can say nothing further at the moment.

I have received many suggestions for governmental improvement especially in respect of what is being taught in our schools but no one has suggested improvement in what is being taught in our schools in respect of the Act of Government which is something that affects every person in this Province. Such education as there is on this subject is weak and defective.

If there is to be good government the people must be well educated in respect of the Act of Government, and our people should be fully informed regarding the two systems of government with which they are directly concerned, namely, what are known as Democracy and Federalism.

For centuries the Anglo-Saxon race fought for liberty and freedom of individual action and secured the greatest individual liberty ever known, I believe.

The power of the British Parliament increased with the increase in liberty of the individual, and eventually Parliament became the supreme authority for the protection of the rights of individuals, to prevent liberty becoming license and generally to provide laws to prevent the abuse of liberty. The history of the evolution of Government in Great Britain has been carefully preserved for the guidance of future generations.

I believe it is the knowledge that all the people of the United King-

dom have of democratic government that has prevented revolution and saved British institutions.

Our people have some knowledge of democratic government but not nearly sufficient to make them realize that each voter is a unit of government and to arouse them from their indifference regarding government. It is such indifference and lack of knowledge that are largely responsible for permitting bad government especially by the Ottawa Government for the benefit of a few selfish interests and selfish individuals. Federalism differs greatly from Democracy. Federalism is government in accordance with principles agreed to by the countries in a federal union. Democracy is government in accordance with policies adopted by elected representatives of the people as a whole and the two systems should not be confused in the minds of our people.

In democracy policies of Government change with the times. In Federalism the agreed principles of Government stand unless changed by the countries that arranged the Union.

A democracy has an unwritten constitution subject to change by its governing body. A federal union has a written constitution or fundamental laws of government which cannot be changed by its general government. The general government of a federal union has no voice in constitutional amendment unless so provided in the agreement of union.

The Confederation

This confederation was intended to be literally a partnership of Provinces each retaining its independence and autonomy with a certain portion of their business handled jointly by the Ottawa government under the firm name of Canada.

This federal union is not like the Australian and the United States federal union; in those two unions the people as a whole are united under their General Government. Both of these unions are federations and not confederations.

The Imperial Act uniting the Australian States declared that the people of those states are united in an indissoluble union.

The B. N. A. Act declares that these Provinces are federally united. Please note this distinction, in Australia the people are united, in our confederation the Provinces are united.

(Continued on Page Three)



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