

Bill No. 86 of 1952.

A BILL TO AMEND THE MUNICIPAL ASSISTANCE
ACT.

NOTE.

This Bill amends *The Municipal Assistance Act*, being chapter 54 of the Statutes of Alberta, 1951.

Section 2 is amended to more fully define "council".

Section 4 is amended. A new subsection (2) provides that in each year the Provincial Treasurer shall pay into the municipal assistance fund one-half of the net receipts of the fuel oil tax imposed under *The Fuel Oil Tax Act*. Under the repealed subsection the fund received the net receipts from four cents of the tax imposed on fuel oil.

Section 5 is amended to provide for the payment of the new equalization grant from the municipal assistance fund.

A new section 5a is added. This section provides that in each year the Provincial Treasurer shall pay twenty per cent of the fund out as an equalization grant to municipalities. The equalization grant will be calculated by a formula which the Provincial Treasurer is to prepare and which will be based upon factors that will establish the need of each municipality for economic assistance. The equalization grant will be paid a municipality in the amount determined by the formula for the municipality.

A new section 7a is added. It provides that a municipality shall not be disqualified from receiving a tax reduction subsidy due to an increase in its basic mill rate if the increase does not exceed the percentage by which the cost-of-living index may have increased during the preceding year.

Section 10 is amended to indicate the grant referred to in view of the new equalization grant provisions.

Section 11 is amended. Because of the introduction of the equalization grant provisions, this section, which provided that municipal revenue grants were to be paid from the balance of the fund remaining after the tax reduction subsidies were paid, requires amending to provide for the payment of the new grant before the municipal revenue grant.

This Bill comes into force upon assent.

J. W. RYAN,
Acting Legislative Counsel.

(This note does not form any part of the Bill but is offered in explanation of its provisions.)

BILL

No. 86 of 1952.

An Act to amend The Municipal Assistance Act.

(Assented to _____, 1952.)

HER MAJESTY, by and with the advice and consent of the Legislative Assembly of the Province of Alberta, enacts as follows:

1. *The Municipal Assistance Act*, being chapter 54 of the Statutes of Alberta, 1951, is hereby amended.

Section 2
amended

2. Section 2 is amended by striking out clause (b) and by substituting the following:

"council"

"(b) 'council' means the council of any city, town, village, county or municipal district and in respect of an improvement district or special area, the Minister of Municipal Affairs;".

Section 4
amended

3. Section 4 is amended by striking out subsection (2) and by substituting the following:

"(2) In each year the Provincial Treasurer shall pay into the fund a portion of the fuel oil tax imposed under *The Fuel Oil Tax Act* equivalent to one-half of the net receipts from each gallon of fuel oil, other than fuel oil used for industrial or agricultural purposes, on which tax was collected during the immediately preceding calendar year."

Section 5
amended
Payment of
assistance

4. Section 5 is struck out and the following is substituted:

"**5.** The Provincial Treasurer, in each year, may pay from the fund to each municipality,—

"(a) an equalization grant;

"(b) a tax reduction subsidy;

"(c) an unconditional municipal revenue grant.

New
section 5a
Equalization
grants

"Equalization Grants.

"**5a.** (1) In each year the Provincial Treasurer shall pay out of the fund twenty per cent thereof for the purpose of distributing equalization grants to all municipalities.

Calculation
of
equalization
grant

"(2) For the purpose of calculating the amount of the equalization grant payable to each municipality, the Provincial Treasurer shall prepare a formula based on such factors as may be necessary to establish in an equitable manner the need of each municipality for economic assistance and for this purpose, but not so as to limit the generality of the foregoing, may take into consideration,—

- “(a) area;
- “(b) population;
- “(c) electric power consumption;
- “(d) average assessment per acre;
- “(e) industrial buildings assessment;
- “(f) personal property assessment;
- “(g) real property assessment;
- “(h) total assessment;
- “(i) such other factors as may be relevant.

“(2) The equalization grant to a municipality in any year shall be in the amount determined by the formula prepared pursuant to subsection (2) for that municipality.”.

5. The following new section is added immediately after section 7: New section 7a

“**7a.** Notwithstanding the provisions of section 8, a municipality shall not be disqualified from receiving the tax reduction subsidy due to an increase in its basic mill rate if the increase does not exceed the percentage by which the national cost-of-living index has increased during the last preceding year and the increased basic mill rate so established shall be deemed to be the basic mill rate of the municipality”. Basic mill rate

6. Section 10, subsection (1) is amended by adding immediately after the words “assessment for” the word “revenue”. Section 10 amended

7. Section 11 is amended by adding immediately after the word “subsidies” the words “and the equalization grants”. Section 11 amended

8. This Act shall come into force on the day upon which it is assented to. Coming into force

No. 86.

FIFTH SESSION
ELEVENTH LEGISLATURE

1 Elizabeth II

1952

BILL

An Act to amend The Municipal
Assistance Act.

Received and read the

First time

Second time.....

Third time.....

HON. MR. MANNING.
