

# CHAPTER V

## Major Responsibilities of the Municipalities and Provincial Participation (continued)

### C. PUBLIC HEALTH, HOSPITALS AND (SOCIAL WELFARE)

1. The provincial and municipal governments' interests come into close contact in three segments of health care, public health, mental hospital services, and active treatment general hospitals.

#### *I. Public Health*

2. Since attempts to delegate power to local authorities in the field of health administration were a failure in the early years, public health matters have long been controlled mainly by the province. In consequence, municipalities retain but an indirect influence over certain aspects of public health administration. The province designates district health officers who are responsible to the minister of health. The 15 counties, in turn, are established as public health sub-districts with appointed boards for local administrative purposes. Chairmen of sub-district boards are the appropriate district health officers. The province and the municipalities jointly appoint the remaining board members. Local health boards range in size from a dozen members in Saint John and Westmorland counties to five members in Victoria. Most of the secretary-treasurers of these units are part-time officials, although in Restigouche, Saint John and York Counties they are employed on an annual basis.

3. The principal task of sub-district health boards is to provide sanitary and food inspection services, to licence various premises, to collect and report vital and medical statistics, and to facilitate such provincial services as public health nursing. Most units are responsible for water supply testing, milk sanitation, restaurant inspection, licensing, control of sewage disposal systems and dumps, supervision of park sanitation and of swimming pools, barber shops, food processing plants, bakeries, abattoirs and other establishments. Most sanitary inspectors are required to undertake "in service" training in environmental hygiene and related subjects and to acquire the necessary technical qualifications. In addition, local health boards organize, in co-operation with provincial health officials, a wide range of activities in the public health field: home visits by nurses, immunization clinics, child health conferences, pediatric clinics, dental services, and so on. In some cases local health staffs undertake special investigations, such as the Charlotte board's

study of the present status of shellfish poisoning in the Bay of Fundy, or the Saint John board's air contamination survey at Pugsley Terminal transit sheds.

4. During 1961 the total municipal share of sub-district board expenditures was approximately \$150,000 (\$167,029 in 1960) while the province (and in Saint John the federal government) contributed rather more than \$40,000 (\$60,152 in 1960). In that year the province made grants to all boards except those in Queens and Victoria. The form of provincial assistance is a rebate amounting to one-half the salary and expense cost of sanitary inspectors. Most boards in the province employ one such inspector full time, but the Gloucester, Saint John and Westmorland units employ two or more. The total budget of all boards is approximately \$240,000 annually, but the expenditure of the Saint John board alone amounts to over \$115,000, of which the municipality of the city and county contributes almost \$75,000, the province \$8,000, and the federal government indirectly through health grants some \$32,000. The Saint John programme is therefore more elaborate than those conducted by other local sub-district boards and involves a substantial nursing and dental service. The Department of Health pays the salaries of the district medical health officers and in most districts conducts its own public health nursing and dental programmes. In 1960, these cost the province \$99,575, \$299,000, and \$35,975, respectively, for a total of \$434,550. The municipalities incur some costs for medical care (doctors' services, etc.) of indigents.

#### *II. Mental Hospital and Clinic Services*

5. The responsibility for these services has become more and more the function of the provincial government through its Department of Health.

6. The operating cost of the two mental hospitals and four community clinics in 1960 was \$3,358,000. (in 1962-63 it was \$3,935,000.) The source of these funds were as follows:

Ten per cent from National Health Grants  
(eight per cent in 1962-63)

Ten per cent by self-pay patients, largely

from social assistance and old age payments (nine per cent in 1962-63)

Four per cent by municipalities for indigent patients (four per cent in 1962-63)

Seventy-six per cent by Provincial Government (seventy-nine per cent in 1962-63)

7. The municipalities contributed toward the cost of indigent patients. The charge to the municipality for each indigent patient is \$2.00 per patient per week. The total expenditure by municipalities on this service in 1960 was \$134,320.

### III. Hospital Services

8. In 1900, there were a dozen hospitals in New Brunswick; at the end of 1961, there were forty-two in operation, with 3,220 active beds in use, offering services in the amount of 972,000 patient days annually. About one-third of the hospitals are operated by Roman Catholic religious orders; one large hospital, the General Hospital in Saint John, is municipally owned and operated; one small hospital in Saint John is owned and operated by the Salvation Army, and the others are owned and operated by corporate bodies under provincial legislation with varying degrees of municipal participation.

9. As a result of recent federal-provincial hospital insurance agreements, the financial responsibility of municipalities for hospital care has been much reduced. Prior to the introduction of the new programme, the portion of the cost of hospital care borne by municipalities was of two main kinds: (1) the payment of hospital bills incurred by indigents and (2) the payment of operating deficits resulting from delinquency of payment by non-indigents. According to the Report of the Interim Committee on Hospital Care Insurance, the total operating cost of hospitals in New Brunswick in 1956 was \$10,508,476, recovered as follows:

Patients	48%
Blue Cross	25%
Municipalities	12%
Senior Government	11%
Workmen's Compensation	2%
Others	2%
	<hr/>
	100%

10. In that year the municipal cost for indigents was \$1,195,527, and the total municipal cost for the operating grants to hospitals and payments on behalf of indigents in general hospitals and of patients in mental hospitals was \$1,259,760.

11. The first hospital insurance scheme was

introduced in the Hospital Care Insurance Act and the Public Hospitals Act. It became effective July 1, 1959. These measures vested responsibility for the cost of operating hospitals largely in provincial hands and introduced a premium-type insurance programme applicable to all residents. The municipalities were made responsible for the collection of premiums from those not assessed through payroll deductions who were not designated as the responsibility of the provincial or federal government and for payment of the premiums of indigents and other non-paying residents. The premiums were \$54.40 annually for each family and \$25.20 for each single person past his nineteenth birthday. Despite the fact that the plan was compulsory, approximately 85 per cent of the population was the highest figure reached in registration and the payment of premiums was considerably below this figure.

12. Under the new Hospital Services Act passed in 1960 and effective January 1, 1961, the premium method of financing hospital costs was discontinued and the municipalities relieved of all collection tasks. The present hospital plan is financed entirely from general provincial revenues with federal government assistance on approximately a fifty-fifty basis for approved costs. The federal contribution is based upon standard net ward operating costs and excludes capital charges and the costs of provincial administration. It is calculated adding 25 per cent of the per capita cost of the specified in-patient services in Canada and 25 per cent of the per capita cost of the specified in-patient services in the province, less the per capita amount of charges made directly to patients for insured services, multiplied by the number of persons eligible for and entitled to insurance services. The costs of out-patient services covered by the plan are shared between the federal government and each province in the same proportion as the in-patient services. The effect of this formula is that the high-cost provinces receive a lower percentage of their total expenditures from the federal government than do the low-cost provinces. Over-all, the federal contribution averages out to about 50 per cent of eligible hospital costs across the country.

13. Although municipalities are relieved of practically all of their previous responsibilities relating to operating costs, they still incur expenditures for capital costs, as the provincial government did not assume responsibility for the hospital buildings. Therefore, in the main, where municipalities previously had obligations with respect to capital costs and debenture debt they continued to do so. New construction is assisted on the basis of \$4,000 per bed, of which \$2,000 is paid by the federal government and \$2,000 by the provincial government. The province also pays the cost of approved equipment. The balance of the cost,

including debt servicing, is the responsibility of the owners of the hospital. We are informed that the total cost of constructing new general hospitals now ranges from \$13,000 to \$22,000 per bed, depending upon the types of treatment provided.

14. Effective for 1961, the province instituted grants to assist with past indebtedness of hospitals in existence or under construction as at June 30, 1959. The grants are paid annually on the following basis:

(1) *To a Hospital:*

(a) one-third of 2 1/2 per cent of the capital debt outstanding as of June 30, 1959, including outstanding bonds, long term loans, mortgages, other plant fund liabilities applicable to hospital buildings and equipment, and liability for equipment for nurses' residences, plus (b) one-third of the interest paid by the hospital during the year on the liabilities listed in (a) above less the capital non-resident surcharge revenue of the hospital.

(2) *To a municipality*, 50 per cent of the amount which the municipality has contributed toward the capital debt and interest of a hospital, or

(3) To a hospital, with the consent of the municipality, an amount equal to the municipal grants, if any, plus any unrestricted private donations received by a hospital and used for the purpose of debt retirement and interest payment.

15. The amounts paid under (2) and (3) must not exceed the amounts payable under (1) ; that is, the province will pay up to two-thirds of the allowable debt reduction and interest charges. Where the payments by a municipality

plus private donations exceed the amounts required to obtain the maximum amount payable by the province in any one year, the excess may be carried forward to a succeeding year.

16. Table 5:1 gives some indication of the hospital and other health costs incurred by the municipalities in 1958, before the hospital plan was in effect, and in 1961, when it was in operation. It is likely that most of the substantial reduction of \$1,235,769 is attributable to the municipalities being relieved of responsibility for bills of indigents and other non-payers.

17. Some indication of the effect of the plan on the services and on costs is given in the following statement from the *Submission to the Royal Commission on Health Services* by the Department of Health in November, 1961:

"In the year previous to the operation of the Hospital Service Plan, New Brunswick residents received 1288 hospital days per thousand of population at a hospital operating cost of \$11,700,000 while in the year of 1960, the New Brunswick residents, under the Plan, received 1776 hospital days per thousand of population at an operating cost of \$18,320,000. From these figures, it is to be noted that the increase in volume of care under the Plan was 36%, while the increase in operating cost under the Plan was 56% over the period of the two years under review."

18. One alarming aspect of the programme is the tendency for operating costs to rise far more rapidly than the expansion of services. Another is the lack of effective over-all planning and control of hospital location and construction. A high standard of hospital services is vital to the community; but such services are very expensive to provide. Operating costs of hospitals are large in

Table 5:1

ESTIMATED HOSPITAL AND OTHER HEALTH COSTS,  
NEW BRUNSWICK MUNICIPALITIES, 1958 AND 1961

	1958	1961
Hospital care (including contribution to debt service costs) .....	\$2,123,459	\$1,451,234
Less: provincial contributions, mostly re hospital debt service costs .....		686,889
Net hospital care costs.....	\$2,123,459	\$ 764,345
Other health costs .....	220,888	344,323
TOTAL hospital and other health costs .....	\$2,344,437	\$1,108,668

Source: Based on *Annual Reports of Municipal Statistics*, 1958 and 1961.

relation to capital costs and are closely linked to the number of beds provided. This inseparable link between physical facilities and operating costs means that hospital facilities must be located throughout the province with regard to efficiency of service and economy. The province simply cannot afford to yield to local pressures by approving the unwarranted construction or overbuilding of hospitals, as it appears to have done in some instances in recent years.

#### IV. *Social Welfare*

19. From the very beginning of human society, mutual assistance seems to have been a fundamental drive of human nature. Religious devotion was usually closely related to benevolence and charity. This basic philosophy can be retraced in most of the ancient cultures. Christianity gave deeper meaning to the concept of charity. The early Christians helped one another when facing poverty, and later, institutions for the poor were established in monasteries, serving as orphanages, homes for the old, the handicapped, the homeless, and later, as "hotels de Dieu", for the sick.

20. But until the fourteenth century, kings and parliaments did not concern themselves with charity in any way. The first poor law was passed in England in 1348. This statute, mostly intended to protect the landed gentry, was followed by an improved law in 1531 under Henry VIII, who felt the need to replace the confiscated monasteries, and finally by the Elizabethan poor law of 1601.

21. The poor law of 1601 established the responsibility of relatives in the care of the poor, and provided for the appointment of "overseers of the poor", who collected a "poor tax" and decided upon the eligibility of applicants for relief. This law set the pattern of public relief in practically all the western world, including Canada, for almost 300 years.

22. The system of social welfare prevailing until recently in New Brunswick was essentially, then, that developed in England during the early years of the seventeenth century and conventionally known as the Elizabethan poor law. The first poor law embodying these principles was passed in New Brunswick in 1786. Given the community standards applicable until the end of the nineteenth century, that traditional approach to welfare administration was perhaps adequate. At the outset the poor law was intended to serve all those in need, irrespective of background, age, sex and physical or psychological condition. With the development of welfare programmes by senior governments during the twentieth century, the poor law system was relieved of many former burdens; old age pensions, workmen's compensation, mothers' allowances, various categories of

disability payments, blind pensions and unemployment insurance served to guarantee benefits never adequately provided under the old, omnibus poor law scheme.

23. Yet the inauguration of more specific welfare programmes did not meet all needs, for in local communities there remained the chronically ill and the disabled who did not qualify for benefits under provincial or federal welfare arrangements, and the mentally defective. Not all the old and blind qualified for pensions; not all mothers with dependent children and without support from their husbands were eligible for mothers' allowances. Then there were the cases of unmarried mothers requiring assistance both before and after confinement, other persons temporarily unemployable due to illness, and, lastly, unemployed employables who did not qualify for or who had exhausted insurance benefits.

24. The administrative machinery created in the nineteenth century to deal with local welfare problems has been described in Chapter 2. In basic form these arrangements remained unchanged throughout the first half of the twentieth century. While other public policy areas were subject to continuing review and improvement, the New Brunswick poor law retained its original grim simplicity. Each county was required to appoint annually three overseers of the poor for each parish, who were constituted a body corporate to report annually to the council land requisition the necessary funds for poor relief from parish ratepayers. County councils, nevertheless, were empowered to enact by-laws regulating the support given to relief recipients in the parishes. Specifically, they were authorized to create a maximum of three districts within the county and to establish a municipal home in each. These institutions were assigned to the management of appointed commissioners. The rationale behind the establishment of municipal homes was that institutional care was the best approach to "the support of the poor". Such institutions at once provided shelter and protection for those requiring care, and a "workhouse" arrangement for those considered "work shy" or for those presumed to need some custodial care.

25. Overseers of the poor possessed wide discretionary powers. Any two overseers (or commissioners where they existed), with the approval of two justices, could compel on threat of jail "any idle, disorderly person, rogue or vagabond, who is likely to become chargeable on the parish where he resides" to labour for any person who would employ him. Overseers could also bind out the children of such persons as apprentices until they had attained 21 years of age in the case of males, or 18 years in the case of females. The commissioners or overseers were also authorized to remove persons "likely to become a charge on the parish or district rates" to

those counties or parishes in which they had settlement. Commissioners in charge of municipal homes were permitted as well to bind out as apprentices the children of parents admitted to poorhouses, or to arrange for the adoption of children maintained in a home whose parents were resident outside the province. Commissioners of municipal homes also made all necessary rules and regulations for the "correction and punishment of inmates", including such practices as solitary confinement for those who refused to work or who misbehaved. With a few exceptions, these powers do not appear to have been fully used by county and urban welfare functionaries in recent years. Yet the special report on public welfare services in New Brunswick, prepared on behalf of a provincial health survey committee in 1949, offered devastating commentary on the then prevailing condition of local services in this important field.

26. The survey report indicated that nine municipal homes were operating in the province with accommodation for more than 400 persons. Seven of these were under county management while two were operated by urban municipalities. Because of haphazard or non-existent accounting methods, it was possible neither to determine the annual cost of these institutions nor to measure the numbers annually receiving assistance. Some municipal homes had farms attached, but it was not clear whether farming operations reduced or increased total operating costs. At the time of the survey, persons supported in homes included old age and blind pensioners, seriously crippled [adults, unmarried mothers, orphans, and a considerable number of mental defectives and older people ineligible for pensions. During the winter months apparently the number of children, vagrants, and alcoholics in the homes increased sharply. In reporting on the physical condition of municipal homes, the following remarks were made:

"The buildings of the municipal homes vary: some are in good condition; others fair, and at least two, in poor condition. In one instance the staff was extremely discouraged by lack of furniture, bedding, clothing and other equipment, and by a constant fight against vermin: beds were pulled away from the walls to reduce the nuisance of bedbugs, and the odour of vermin pervaded the room. In other cases, too, the equipment was inadequate for the proper operation of the institution. In some cases, organizations, and particularly the Women's Institutes, have added to the comfort of the people through the provision of equipment and service."

27. The report further asserted that the development of assistance to people in their own

homes was thwarted by the very nature of the New Brunswick poor law. "As it is handled by the overseers in 152 parishes, no uniform method of reporting has been developed", yet it was palpably clear that standards of assistance and relief, the quality of institutional care, and the determination of eligibility (i.e., settlement) varied enormously in such a decentralized system of parish welfare management.

28. The survey urged a reorganization of welfare administration. In particular, the development of more diversified institutions for care of persons in different categories of need was stressed. That is to say, separate homes were recommended for the active aged, the chronically sick, the mentally defective adults, the ineducable mentally defective children, and, possibly, the seriously crippled and the unmarried mothers. If existing institutions and practices remained exclusively under municipal control, the investigators believed that municipal homes would continue to serve the purpose of "catch-alls". Joint provincial-municipal control or outright management by provincial health and welfare officials appeared to offer the most satisfactory solution. The survey also stressed the need to obtain a better integration of private and public welfare agencies. In addition to recommending such major administrative adjustments, including an improved method of determining settlement, the report urged the adoption of a new social assistance act which "should provide for the maintenance of persons in the communities in which they are living and in their own homes, except when institutional care is required." With regard to the difficult matter of determining settlement, the report stated:

"We recommend changes in the law determining settlement, to shorten the period of residence required to one year, either in the province or in the municipality, depending upon the level of government liable for maintenance; to make the same legislation apply to all situations in which residence is necessary; and to provide for reciprocity between municipalities and with other provinces, so that a person is not forced to move from the place in which he is living because he is in need of assistance."

29. Apart from the operation of municipal homes for unemployables, relief was authorized by New Brunswick local authorities during the depression for unemployed employables. The province in 1931 agreed to reimburse municipal expenditure on direct relief by one-third. The emphasis in all such programmes was on public relief works. Relief recipients, that is to say, were expected to "work off" the payments. Provincial assistance was discontinued in 1936 and most local authorities suspended relief programmes in that

year, despite the fact that New Brunswick's unemployment level remained abnormally high until the outbreak of war in 1939. Almost a quarter of a century passed before the province again contributed directly to meeting the cost of municipal assistance for unemployed employables.

30. Participation of the federal government through the provisions of the Unemployment Assistance Act has been the major factor conditioning local welfare services during the last few years. By this Act the federal government agreed to pay fifty per cent of the non-capital costs of providing indoor and outdoor relief in the provinces. Since in New Brunswick relief was a municipal responsibility, these new funds made it possible for the province to give substantial assistance to the municipalities and at the same time to attempt to establish standards of local assistance to the needy and of administration of local assistance programmes.

31. These developments led to passage of the provincial Social Assistance Act, Part II of which provides an entirely new legal framework for municipal welfare functions in New Brunswick. This act, which came into effect on July 1, 1960, repealed the Legal Settlement Act, the Mothers' Allowance Act, the Municipal Homes Act and the Support of the Poor Act. It is administered by the Department of Youth and Welfare. Under the Act, municipalities are required to assume a new role in the field of public relief, the formation of municipal welfare agencies subject to the approval of the Minister of Youth and Welfare. Municipalities are now required by legislation to organize as welfare districts and to appoint for each district a welfare committee of three or more resident ratepayers whose responsibility it is to furnish assistance to persons in need in the municipality or admit persons in need to a municipal home. A person responsible for children, however, cannot be so admitted, nor can an individual who is "demented", insane, or mentally incompetent. This welfare committee takes the place of the former parish poor masters, who continued with their duties as an interim welfare committee until the municipal councils had an opportunity to meet and appoint their new welfare committees. Twelve months of residence are now deemed to establish settlement in a municipality. The act provides an appeal from the decisions of district welfare committees to district appeal committees. These latter three-man bodies are appointed jointly by the provincial government and the municipal council. There is one further (and final) appeal in disputed cases to the Minister of Youth and Welfare.

32. The assets of former municipal home commissioners are by statute now vested in municipal councils, which bodies may now enact by-laws regulating the operation of these institutions. But such ordinances do not have effect

until approved by the Minister. Each municipal home, however, is assigned a management board of three commissioners appointed by the county council but subject to ministerial direction.

33. Estimates of welfare committee financial requirements are submitted annually to the municipal council, and the total amount needed for the county as a whole is "levied and collected as part of the general rate of levy on the whole municipality." Separate rates for parishes or districts are therefore no longer permissible, if municipalities wish to receive provincial grants under the act.

34. When Part II (Municipal Assistance) of the Social Assistance Act was proclaimed on July 1, 1960, it applied in every municipality. The legislation made provision for a municipality to exempt itself from the provisions of the Act, by resolution of the municipal council, at any time within two years or at the end of five years. However, if a municipality exempted itself by resolution, it would be responsible for the full cost of assistance provided.

35. The province did not itself share in the cost of municipal relief until July 1, 1960. However, after 1956 the province did receive a percentage of municipal relief costs from the federal government under the Unemployment Assistance Act, and passed this amount on to the municipalities. Starting in 1958 the federal share amounted to 50 per cent of municipal outlays. The **Social Assistance Act** provided for the provincial sharing of municipal assistance costs on the following basis: A municipality is reimbursed annually for its assistance payments to the extent of \$1.00 per capita, plus 70 per cent of assistance costs above this amount. (This new arrangement, of course, includes the share paid by the federal government.) The Act also established minimum standards for food which must be met if the municipality is to be eligible under the reimbursement formula.

36. The Social Assistance Act sets out standards of administration which the municipalities must meet if they are to qualify for a special provincial grant of 50 per cent of the administration costs of the social assistance programme at the municipal level. To qualify for the administration grant, the municipality must form one welfare district and the director of the welfare programme must be a full-time employee and possess the qualifications as laid down in the regulations. There is provision for a municipality to enter into an agreement with a Children's Aid Society or other recognized welfare agency for the administration of municipal assistance, subject to Provincial approval. During the first year of operations under the new act, seven municipalities qualified for the provincial grants for administration and in 1962 all counties except Albert, Charlotte, Kings and Queens had qualified. Sev-

eral municipalities employ the services of the local Children's Aid Societies, and the trend in each of these municipalities is toward the formation of a municipal welfare unit, providing child welfare services and municipal assistance on a family service basis. In 1961, the provincial share of administration costs was \$75,013 of a total of \$168,138, and in 1962, \$116,177 of a total of \$236,662.

37. All municipalities decided to proceed in accordance with the new act and are being reimbursed under the formula. In some instances, municipal assistance costs have been reduced and in others they have been increased to meet the minimum standards. The provincial grant of 50 per cent of administration costs has provided considerable incentive for the municipalities to establish welfare agencies and acquire qualified staff. There does seem to be a trend toward the provision of better municipal welfare services and toward more completely centralizing these services. In Madawaska County, for example, the Department recommended the appointment of a director of welfare and of an assistant, with a single advisory board of not more than seven members appointed from outside the council. There is little doubt that the standards of assistance have in general shown marked improvement, but it appears that there is great variation in standards and in the quality of administration among the municipalities and even within some municipalities. It cannot be said that anything like uniform standards are being applied over the province. It appears that some families who badly need help are getting too little while others are receiving assistance who do not need it at all.

38. Table 5:2 shows the total of the Social Assistance (Part II) payments for all municipalities in the fiscal year ended March 31, 1962, with the federal, provincial, and municipal shares. It also shows the average assistance per person per month, which ranges widely, from \$6 to \$25, with an average for the whole province of \$10. Fifty per cent of the total cost was borne by the federal government, 27 per cent by the province, and 23 per cent by the municipalities.

39. A most undesirable aspect of the federal Unemployment Assistance Act, in our opinion, is that the federal government will contribute only to the cost of direct relief. If a municipality or the province puts a person in need of assistance to work at some productive activity, it receives no federal contribution. This provision no doubt makes it easier to administer the programme, but by placing a premium on giving direct relief rather than providing jobs, it has a most damaging effect on the morale of the people and works at cross purposes with programmes directed at the rehabilitation of the indigent. We refer to this again and suggest a possible remedy in Chapter 9.

## V. Municipal Homes

40. With repeal of the Municipal Homes Act on July 1, 1960, the minimum standards for municipal home, including standards of buildings, furniture, equipment, staff, and all other matters relating to the care of persons in municipal homes is as set out in the regulations made under authority of Section 1 (i) of the Health Act for the inspection, licensing, and control of nursing homes and places offering accommodation for the aged and infirm. The maintenance of persons in a municip[al] home approved under the regulations may be claimed for by the municipality under the reimbursement formula of the Social Assistance Act, as described above.

## VI. Child Welfare

41. Legislation regarding the care of children is set out in the Children's Protection Act, the Adoption Act, the Mentally Retarded Children's Act and the Children of Unmarried Parents Act. The Children's Aid Societies operate throughout the province, with a total of seventeen agencies. These are private local agencies whose function is to provide care for neglected children or children in need of protection. Although these agencies are private, and have their own staff and boards of directors, they are under the general supervision of the welfare division and the child welfare officer. In the field of adoptions, mentally retarded children and boarding homes, the agencies provide their service at the request of the provincial government.

42. There are also four privately operated homes for neglected children within the province, and children are placed in these homes privately and by the Children's Aid Societies. These child care institutions are supported by voluntary subscription, private arrangements for private placements, and where the children are wards of a Children's Aid Society, the ward maintenance is shared 50-50 by the province and the municipality.

43. There are many foster homes, and at the present time, 147 such homes have been licensed to board mentally retarded children only. Placing of children in these homes is done mainly by the Children's Aid Societies or on their recommendation. The maintenance of children who are wards of the Children's Aid Societies is paid by the province and by the municipality of legal settlement on a 50-50 basis. When a child has no legal place of settlement, the full maintenance cost is paid by the province. In 1961 there were on the average about 1,450 wards in the province, the total maintenance costs for which were about \$525,000, for an average of only \$363 or about \$1 per day, with considerable variation among municipalities. The Department of Youth and Welfare informs us that the present per diem rate

Table 5:2

PAYMENTS UNDER SOCIAL ASSISTANCE ACT  
(PART II), FISCAL YEAR ENDED MARCH 31, 1963

CITIES	Federal Share	Provincial Share	Municipal Share	Total Assistance Given	Average Assistance Per Person Per Month <sup>a</sup>
Campbellton	\$36,703	\$17,622	\$19,081	\$75,406	\$10
Edmundston	34,842	17,719	17,122	69,684	12
Fredericton	24,700	16,210	8,490	49,400	8
Lancaster			in with Saint John County		
Moncton	138,473	68,207	70,266	276,946	14
Saint John			in with Saint John County		
<b>TOWNS</b>					
Bathurst	3,513	3,034	479	7,025	11
Caraget	1,256	647	609	2,512	7
Chatham	19,036	9,649	9,388	38,073	25
Dalhousie	6,932	4,532	2,451	13,965	11
Dieppe	2,596	1,929	666	5,192	11
Grand Falls	13,612	6,697	6,916	27,225	12
Hartland	3,677	553	124	1,354	19
Marysville	8,834	4,867	3,967	17,667	24
Miltown	2,490	1,549	942	4,980	13
Newcastle	11,924	6,271	5,653	23,849	11
Oromocto	2,616	2,616	--	5,233	21
Rothsay	--	--	--	--	--
Sackville			in with Westmorland County		
Shediac			in with Westmorland County		
Shippegan	1,525	1,121	405	3,050	13
St. Andrews	2,185	1,553	832	4,570	15
St. George	953	728	225	1,906	15
St. Leonard	5,818	2,881	2,937	11,636	12
St. Stephen	2,159	1,801	358	4,317	24
Sussex	2,636	2,087	548	5,271	9
Woodstock	3,571	2,822	748	7,141	16
<b>VILLAGES</b>					
Port Elgin			in with Westmorland County		
<b>COUNTIES</b>					
Albert	13,931	9,021	4,910	27,862	14
Carleton	41,226	22,215	19,010	82,452	10
Charlotte	23,894	14,410	9,483	47,787	12
Gloucester	156,742	80,487	76,255	313,483	6
Kent	79,050	39,871	39,179	158,100	9
Kings	15,112	12,597	2,515	30,224	11
Madawaska	73,815	37,243	36,572	147,630	8
Northumberland	155,195	73,797	81,398	310,389	10
Queens	11,161	8,424	2,737	22,323	12
Restigouche	83,525	41,172	42,353	167,050	13
Saint John	125,639	77,060	48,578	251,277	13
Sunbury	15,776	9,370	6,451	31,552	16
Victoria	46,548	23,236	23,312	93,096	9
Westmorland	83,367	48,345	35,021	166,733	11
York	50,394	28,430	21,963	100,787	13
<b>TOTAL</b>	<b>\$1,302,474</b>	<b>\$700,575</b>	<b>\$608,899</b>	<b>\$2,604,948</b>	<b>\$10</b>

a) To nearest dollar. The calculation of average assistance per person per month includes dependents of persons receiving payments and therefore understates the average monthly payment per assistance case.

Source: Annual Report of the Department of Youth and Welfare, 1962

for maintenance of wards in foster homes is on the average \$1.34.

44. Although it is generally preferable to care for children in suitable foster homes rather than in institutions, it is important that the best possible institutional care be available for children who are awaiting placement. Often this stage, when a child has just been uprooted or left destitute, is the most upsetting and crucial one of all for him. To be satisfactory, such an institution should be staffed with exceptionally well-qualified people who love children. Here is an area where private benefactors could make their greatest possible contribution to the province.

45. The maintenance of delinquent children, committed to a place of safety, is paid on a sharing basis, with the province paying \$650 per year and the municipality \$550.

46. The province pays \$1.00 per day under the Mentally Retarded Children's Act towards the maintenance of a mentally retarded child who is placed in a licensed boarding home for mentally retarded children. The balance of the rate charged is either paid by the parents, or if the child is a ward of a Children's Aid Society, shared on a 50-50 basis by the municipality of legal settlement

and the province. Approximately 85 per cent of the 90 children receiving benefits are wards of Children's Aid Societies.

47. The Children's Aid Societies operate on grants obtained from the municipality and the Province. In 1960 the municipal grants amounted to \$59,355. The municipal grants are usually based on the agency's request in relation to its proposed budget. The provincial grants are made according to a rather complicated system with no definite requirements. At one time, an attempt was made to grade the agencies according to standards -- staff, service, etc. However, this resulted in the agencies with lower standards receiving the least amount, whereas, in fact, they needed larger grants to improve standards of staff and service. The present grants are based on the administrative costs of the agency. In the fiscal year ended March 31, 1962, the provincial grants amounted to \$61,790 which constituted about 28 per cent of total administrative costs of \$221,700.

48. Table 5:3 shows the total gross municipal expenditures for welfare, mainly for municipal assistance and Children's Aid, and the provincial and net municipal shares for the years 1959-61. The total expenditures increased by 168.7 per cent over this brief period.

Table 5:3

TOTAL WELFARE EXPENDITURES BY MUNICIPALITIES (MAINLY SOCIAL ASSISTANCE AND CHILDREN'S AID) AND DISTRIBUTION OF COST BETWEEN THE PROVINCE (INCLUDING FEDERAL SHARE) AND THE MUNICIPALITIES, NEW BRUNSWICK, 1959-61

	Gross Municipal Expenditure	Provincial Contribution	Net Cost to Municipalities
1959			
Cities .....	\$ 263,281		
Towns .....	80,020		
Village .....	1,221		
Counties .....	917,209		
Total .....	\$1,261,781	\$ 193,000 <sup>b</sup>	\$1,068,781
1960	(Social Assistance Act came into effect July 1, 1960)		
Cities .....	\$ 415,377	\$ 182,442	\$ 232,935
Towns .....	111,471	37,994	73,477
Village .....	1,481	571	910
Counties <sup>a</sup> .....	1,457,639	616,674	840,965
Total .....	\$1,985,968	\$ 837,681	\$1,148,287
1961	(First full year of Social Assistance)		
Cities .....	\$ 632,382	\$ 368,523	\$ 263,859
Towns .....	224,517	132,684	91,833
Village .....	1,819	587	1,232
Counties <sup>a</sup> .....	2,531,228	1,604,586	926,642
Total .....	\$3,389,946	\$2,106,380	\$1,283,566
Increase in gross expenditure, 1959-61 .....			\$2,128,165
Percentage Increase in gross expenditure, 1959-61 .....			168.7%

a) Includes some cities and towns, notably Saint John and Lancaster.

b) Not shown separately in *Annual Report of Municipal Statistics*. This estimate is given in Dominion Bureau of Statistics, *Financial Statistics of Municipal Governments, 1959*, Actual, Table 6.

Source: *Annual Reports of Municipal Statistics*