

(E) **Municipal Finance.**—The Commission was made fully aware of the seriousness of the problem of municipal finance and of the burdens hitherto placed upon real estate throughout Canada. The position, however, is peculiar inasmuch as municipalities are definitely the creatures of the provinces in which they are situated, and their financial powers are such as the provinces choose to confer on them. The Commission has not felt it to be within its province to make specific recommendations in regard to the various municipalities, but the financial plan that has been described has taken municipal expenditures and taxation into account as part of the provincial picture and the recommendations made in connection with the provinces will, it is felt, have very important indirect effects on municipal finance. They will relieve the municipalities of their share in providing relief for unemployed and their dependants, and will put every Provincial Government in a better position to extend such aid as it thinks fit to its municipalities, either by relieving them of the costs of services they now perform or by financial contributions to such costs. In each province the way would be cleared for dealing (if the province so desired) with municipal debts generally in the same way that is recommended for provincial debts. This would facilitate much needed reforms, particularly in the great metropolitan areas. It is emphasized, however, that the future of the municipalities lies in the hands of the provinces.

Other Matters Considered by the Commissioners.

Certain considerations not so closely related to the main financial questions but very important to the well-being of the nation are also dealt with in the Report of the Commission. These are:

(A) **Marketing Legislation.**—It has been pointed out that in the past great difficulty has been experienced in framing Dominion and provincial legislation, even when the wishes of the Dominion and the provinces were identical. The Commission recommends that the Dominion and the provinces should have concurrent legislative powers to deal with the marketing of a named list of natural products, to which additions may be made from time to time by common consent.

The principle of such delegation of power should form part of provincial and Dominion relations, and it is recommended that this should be quite general and that the Dominion should be able to delegate any of its legislative powers to the provinces and that the provinces should also be able to delegate any of their legislative powers to the Dominion. This would provide a convenient means of dealing with specific questions as they may arise without placing any limitation on the power of either the Dominion or the provinces.

(B) **The Transportation Problem.**—This is recognized as a problem that cannot be solved without close collaboration between the Dominion and the provinces. The Commission confines itself to discussing the issues that will have to be faced before the problem of jurisdiction is clarified. Great advantage might be derived from a Transport Planning Commission, which would be concerned with planning transportation developments in a broad way and with facilitating co-operation between the Dominion and the provinces.

(C) **Machinery to Facilitate Closer Co-operation between the Dominion and the Provinces.**—While new governmental machinery should be kept at a minimum, it is considered that special provision should be made to facilitate co-operation between the Dominion and the provinces. In the early days, when the