

done through the co-operation of the National Research Council and the Canadian universities in the organization of scientific research in the physical sciences.

(G) **Social Services.**—Under this heading, the Royal Commission recommends that research work analogous to what is being done by the Dominion Bureau of Statistics in the economic field might be organized through a Social Science Research Council that would co-ordinate and in some degree direct the research work in these sciences now being done in Canadian universities and elsewhere. It is pointed out that there is a real need for some such institution and it could serve a most useful purpose in analysing the social problems with which current legislation is designed to deal.

It is also recommended that, with the exception of unemployment relief, existing social services remain with the provinces, but if contributory old age pensions should be introduced they should, for various reasons, be on a Dominion-wide scale and under the control of the Dominion Government. To avoid rigidity in the matter of jurisdiction, it would seem desirable to provide for concurrent jurisdiction between the Dominion and the Provinces in other forms of social insurance.

Conclusion.

The aim of the Commission has been to adjust the Dominion-Provincial relations in terms of the economic life of 1939 along much the same lines as the British North America Act established them in terms of the economic life of 1867.

The Dominion assumed the provincial debts in 1867 as the Commission recommends it to do to-day. In 1867 the Dominion was expected to exercise the chief taxing powers of that time (customs and excise), and under the Commission's proposals it is expected to exercise other chief taxing powers of to-day, such as the tax on personal incomes, corporation taxes, and succession duties. The Dominion was to pay subsidies in 1867 to enable the provinces to perform functions entrusted to them without having to resort to oppressive taxation. Under the Commission's proposals, the Dominion would pay National Adjustment Grants for precisely the same purpose. The different measure of the amount to be paid contained under the recommendation is more apparent than real for it arises from the inequalities of wealth that have developed as between provinces. While equal per capita subsidies did conform in some rough approximation with the fiscal needs of 1867, they do so no longer. The methods employed for calculating the appropriate adjustment grants are aimed at accomplishing what the per capita formula was intended to achieve in 1867, the aim being the maintenance of Provincial Governments that can provide the necessary Canadian standard of service for the people.