

### Section 3.—Municipal Government\*

Municipal government in Canada is placed under the control of the provincial legislatures by the British North America Act, 1867. Thus the powers of municipalities are those delegated to them by statutes passed by their respective provincial governments, some of which apply to all municipalities within the province, some to a certain type or group, and many to one municipality only. Municipal powers are further defined by regulations issued (under the provisions of the Acts) by the provincial government departments charged with their supervision and control. In the Yukon and Northwest Territories, some municipal powers have been assigned to certain localities by the Federal Government and the territorial councils.

While powers and responsibilities delegated to municipalities vary from province to province and even within a province, they are largely those of raising money locally, of borrowing, and of spending to provide local services. All provinces give financial assistance in some form, usually as subsidies or grants-in-aid of certain services administered by the municipalities, and often as loans on or guarantees of loans for capital projects. Retention or assumption of what are often regarded as municipal responsibilities is sometimes considered an indirect form of aid, as is the extension of taxing privileges into what may be commonly regarded as a provincial revenue field.

The major revenue source available to municipalities is property taxation. It is supplemented in varying degrees by taxation of personal property, business, persons (poll taxes), and tenants. In two provinces municipalities may levy an amusement tax, in two they may impose sales taxes on a limited basis, and in Quebec some cities have been granted the right to levy a general sales tax. Miscellaneous general revenue is derived from licences, permits, rents, concessions, franchises and fines. Most urban municipalities of any size operate utilities and enterprises for the provision of water and, in many instances, electricity, gas, transportation, telephone and other services. These sometimes provide surplus funds that may become available to help provide other municipal services. On the other hand, expenditures of municipalities often include provision for the deficits of utilities and enterprises.

In differing degree and with varying provincial assistance, municipalities are responsible for the following services: protection to persons and property through police and fire forces, courts and local gaols, and inspection services; roads and streets; sanitation; certain health and welfare services; and some recreation and other community services. Except in Quebec and Newfoundland and in a few minor localities where school authorities must raise funds for education that are not provided by the province concerned, municipalities are responsible for levying and collecting local education taxes on property on behalf of the local schools, and often for borrowing capital funds for school construction. This stems from the traditional concept that education is a local responsibility, though it is now largely financed and administered by the provincial governments. Local administrative responsibility for education lies with boards of trustees separate from the councils that govern municipalities (except in the "counties" recently established in Alberta).

In some localities, certain local services are administered by special district authorities encompassing a number of municipalities or parts of municipalities. These district authorities provide services, such as greater water and sewerage districts, drainage and irrigation districts, and health units, which elsewhere may be provided by the muni-

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