

The major local revenue source available to municipalities is the taxation of real property. 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 three they may impose sales taxes on specific commodities. Miscellaneous general revenue is derived from licences, permits, rents, concessions, franchises and fines. A great many municipalities operate utilities 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 pay for other municipal services. On the other hand, expenditures of municipalities often include provision for the deficits of their utilities and enterprises.

In differing degrees 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. In most provinces, 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. Local administrative responsibility for education lies with boards of trustees separate from the councils that govern municipalities (except Alberta; see p. 96).

All provinces give some form of financial assistance to their municipalities. This may be in the form of monetary grants, such as unconditional subsidies which may be spent as the municipalities see fit, or grants in aid of specific services that are the municipal responsibility. The provinces may also make loans to municipalities for capital purposes or guarantee the bonds issued by the municipalities. Other forms of indirect assistance are the resumption by the provincial governments of responsibilities formerly delegated to the municipalities and the extension of municipal taxing privileges into what were formerly considered to be provincial revenue fields. The provinces also provide various technical and consultative services to their municipalities.

The following paragraphs describe municipal organization in each province and in the Territories as at Jan. 1, 1964. In Table 34 (which gives the number of each type of municipality in each province) all fully incorporated cities, towns and villages are regarded as 'urban' municipalities.

**Newfoundland.**—The Province of Newfoundland has two cities—St. John's and Corner Brook. A number of the province's many settlements have been organized into 45 towns, four rural districts, two local improvement districts and 47 local government communities. The towns, rural districts and local improvement districts operate under the Local Government Act; towns and rural districts have elected councils and local improvement districts have appointed trustees. Local government communities established under the Community Councils Act in the smaller settlements have limited powers and functions. There are no rural municipalities in the usual sense. Only about one fifth of 1 p.c. of the total area is municipally organized. Municipalities are supervised by the Department of Municipal Affairs and Supply.

**Prince Edward Island.**—In this province, one city and seven towns have been incorporated under special Acts and 17 villages have been established under the Village Services Act. There is no municipal organization for the remainder of the province although it is divided into school sections which have elected school boards.

**Nova Scotia.**—Municipal organization in Nova Scotia covers the whole of the province. The three cities operate under special charters and special legislation. Thirty-nine towns operate under the Town Incorporation Act but there are no municipalities