initiate negotiations with the Canadian Pacific, New York Central and Canadian National Railways looking to the formation by these systems of a Union Terminal Company to operate and manage all railway facilities and property within the National Capital district, and to report their findings thereon to the government at as early a date as possible. In this connection it is felt that under one management and proper co-ordinated planning much crosstown trackage could be gradually eliminated as well as many grade crossings with their attendant danger to the public and increased cost of operation. We should also like to see associated with this recommendation an effort to re-organize the system of street transportation in Ottawa so as to replace as far as possible the present street cars and tracks with buses.

3. We would recommend that the cleaning of snow from all streets and adjacent sidewalks bordering on government owned or leased buildings in the City of Ottawa, and from the Federal District Driveways within the City and the sidewalks adjacent thereto, and the collecting of all ashes, garbage and other refuse from in and around Government buildings within the City, should be re-organized co-operatively between officials of the City and the Federal District Commission, with a view to applying their respective facilities to this work with the greatest degree of efficiency.

4. After examining all evidence submitted and considering the character of services rendered and the need for immediate capital expenditures in connection with some of them, in which the Federal Government should assume joint responsibility with the City, we recommend that for a period of five years, the annual grant should be increased to \$300,000, and at the end of that period this financial relationship be reviewed.

In submitting this recommendation, which gives the City a percentage of its budget over double that of the federal grant in any previous year, the Committee feels that it is impossible at this time to make an accurate accounting of the relationship existing between the City of Ottawa and the people of Canada as a whole as represented in the Federal Government. Reference has already been made to the question of assessment values. In addition, no attempt has been made, for example, to estimate the economic value to the Municipality of a Civil Servant and his family established here as a permanent employee of the Government. Since 1939, the number of employees in Government Departments established in Ottawa has increased from some 12,000 to 33,500. The war has caused this great increase, but a large percentage of it will remain permanently fixed here after the war is over in order that extended and growing activities of the Federal Government may be served. The Federal Government and the City of Ottawa as well as other nearby municipalities in reality are travelling along the great national highway of Canada in close partnership; and the journey has just been commenced. The objective at the end of the road is a unified Dominion and a great National Capital which in every respect should reflect the strength of a normal and healthy growth.

A copy of the evidence adduced is submitted herewith.

All which is respectfully submitted.

A. B. COPP,

Chairman Senate Section,

J. A. GREGORY,

Chairman, Commons Section.