

must commend themselves to Parliament. They must be expenditures undertaken in the national interests. Here a series of jurisdictional problems arise. The proposed National Capital area includes portions of the Province of Ontario and Quebec. It is superimposed upon certain municipal organization within each province. As the Plan is brought to fruition, works must be undertaken which affect the sphere of provincial or municipal responsibility. But because they are conceived as part of a scheme for the creation of a national rather than a provincial or a municipal development, these works may be more laborate than would be required for provincial or municipal purposes. Again, since they are to be installed within populous municipalities, they have a bearing upon the works required by these municipalities for their own development. Sometimes, as in the case of driveways and parks, they add improvement which the municipality would not instal, or if it were installed it would be installed upon a more modest scale. At other times the creation of the work of the National Capital imposes upon the municipality concerned the burden of additional services or the building of works of greater magnitude than the municipality alone might undertake.

For the resolution of these conflicts, co-operation between the three levels of jurisdiction is essential. Hitherto, the emphasis is upon co-operation between the Federal District Commission and the municipalities concerned. A greater measure of integration of planning with the provincial authorities should emerge.

#### PART IV

Since the last report of a Joint Committee of Parliament in 1944 there have been some noteworthy changes in the law bearing upon matters relating to the Federal District Commission.

##### (1) *The Municipal Grants Act, 1950, as amended*

The 1944 report of the Joint Committee of Parliament recommended that the annual grant made to the City of Ottawa by the Federal Government be \$300,000 for a period of five years and at the end of that period that it should be reviewed. In 1950 Parliament passed the Municipal Grants Act, whereunder the Federal Government was authorized to make grants in lieu of taxes to all municipalities throughout Canada wherein a relatively high concentration of Federal Government Real Estate was located. Under this legislation and under the amendment which was made in 1954, the City of Ottawa has received the following amounts in the years stated:

1950 .....	\$ 962,000
1951 .....	1,176,000
1952 .....	1,392,000
1953 .....	1,438,000
1954 .....	1,427,000
1955 .....	2,795,000

The City argued strongly for changes both in the legislation and in the administration thereof to permit increases in the amounts of these payments. We consider that it is not within the terms of reference of this Committee to consider changes in the Municipal Grants Act or its administration. Applications of this character should be directed to the Department of Finance under which the amendment and the administration of the Municipal Grants Act would fall. We must observe, however, that insofar as the City of Ottawa is concerned, the position now is vastly better than it was in 1944 when \$300,000 was the amount of the federal payment to the municipal corporation and, indeed, it