

Everyone had more or less an interest in municipal assessment, and it was especially important in the cities, where taxation is so much heavier than in the rural municipalities. He thought upon the whole there could be no improvement made in the rural districts. He had not heard it suggested that the exemptions were other than fair, so far as farmers and others in the townships were concerned. There was the same difficulty in the townships as in the cities in reference to the absolute exemption of Dominion and Provincial property under the 125th section of the British North America Act, so that if the Dominion Parliament and all the Provincial Legislatures concurred in making laws to tax Government property, those laws would be perfectly void, and the object, even if it were desirable, could only be accomplished by means of an Imperial Act. The framers of the Constitutional Act had no doubt introduced this provision for a very wise purpose. In the United States Constitution there was no express exemption from taxation, and there had been a great deal of litigation in consequence. It was argued that the national property should be exempt from taxation, because the sovereignty of the nation would not be complete if the State Legislatures could tax any part of the national property, and the framers of our Act, being aware of the difficulty which had arisen there, had provided against it. A circular which had been prepared by a committee of the Toronto City Council, of which Mr. Hallam was chairman, stated among other things that the exemptions of Dominion and Provincial property in this city amounted to \$3,500,000. This Legislature could not alter that. It was an absolute exemption, and must exist in the public interest. This exemption, which they could not remove, was nearly half of the whole of the exemptions in Toronto. The rural municipalities were affected only as far as the Crown Lands were concerned, for there was very little other Government property in them. It would not be fair to tax either the Dominion or Provincial property situated in Toronto, because there were manifest advantages to the city from the location of that property here. The Custom House and such buildings could not be taken from Toronto, and every dollar imposed on the rest of the Province, or the Dominion, was for the benefit of the city. Upper Canada College and the University of Toronto were of greater advantage to the city than any paltry sum they could get in the way of taxation. In the case of Osgoode Hall, the salaries paid by the Province to the various officials would have to be increased if the city of Toronto could tax them for municipal purposes. The judges were appointed by patent, and if they were taxed they would claim that the Dominion Government should pay the tax. Then came the question whether, if all these institutions were lost to the city of Toronto, the loss would be made up by an increase of income. He had no doubt that Hamilton, or any other city, would be glad to accept the seat of Government on the basis of exempting the Government buildings from taxation. (Hear, hear, and laughter.) He had no doubt, if the question of the capital had to be settled, Toronto would be willing to pledge itself to exempt Government property from taxation for all time to come. (Hear, hear.) And that was only fair, for great and manifest advantages resulted to a city from the seat of Government being in its midst. Toronto received more than its own share, and, as a representative of a rural constituency, he protested against the rest of the Province having to pay taxes for the benefit of the city of Toronto. (Cheers.) The citizens of Toronto could afford those exemptions in consideration of the large amount of money spent in the city. It sounded very well to say to the electors of any of the wards of this city that these judges at Osgoode Hall were receiving large salaries and paying nothing, but when the matter was explained to the electors of the rural constituencies it would not sound so well.

Mr. LAUDER—What does THE GLOBE

Mr. BETHUNE said THE GLOBE'S articles would be entitled to commendation just as much as that paper spoke good sense. The London Times was entitled to respect just as long as it talked good sense, and he hoped the day would come when THE GLOBE would occupy—as it was fast approaching—the high position in Canada which the Times occupied in England. (Loud cheers.) And just so far as THE GLOBE took a reasonable position and wrote and published common sense, would it be powerful for good, and for aiding any cause

it might choose to advocate.

Mr. LAUDER—You had better take care what he had to take care of. He apprehended that as long as he stood there and was honest in advocating notions which occurred to him, his constituency would think he had done perfectly right. He hoped all hon. gentlemen would be free to express what they felt without fear of any newspaper, and he deprecated the sort of suggestion made by the hon. gentleman—no doubt with a particular object in view. To tax school-houses would be to take money out of one pocket and put it into the other, and would cause expensive bookkeeping and litigation. What other subjects of exemption were there?

An HON. MEMBER—Churches.

Mr. BETHUNE said he believed if churches were taxed, it would not amount to \$20 a year on each in rural municipalities, and for that the minister and trustees would have all the bother of looking after the assessments and paying the taxes. In the cities it should be a matter of great interest to have such beautiful buildings erected as the Metropolitan Methodist Church, the Roman Catholic Cathedral, the Jarvis-street Baptist Church, the Anglican Cathedral, and St. Andrew's Church, in Toronto; and the grounds around them, such as those around the Metropolitan, were lungs to the city. It was a great object in cities to prevent overcrowding, and it was a question of policy whether it were not wise to encourage these places to save the city the necessity of setting aside a park. If the Methodists had not purchased McGill Square it would probably have been purchased for a public square. It would be unfair suddenly to put an end to existing exemptions. People who from benevolent motives and a desire to have a place of worship built a church, did so in the faith that it would be exempt from taxation, and it would be unjust to come down on them now and tax them. Church property had always been exempt in this country, and he was not aware of its being taxed in any of the States of the American Union. Looking over the circular of Ald. Hallam, it seemed to him that the various denominations were set down at about their fair ratio. There was no danger here of churches aggregating large quantities of land to the detriment of the public. He did not know anywhere in Upper Canada of more property being held by a religious body than was necessary for the church or order to which they belonged. He had not definitely made up his mind against a change in the law, but at present he could see no reason for one. The churches were in a manner great educational powers and, were doing a vast amount of good. If the churches were closed the police force would have to be increased. The grand and sacred work they were doing was recognized, and they should not be taxed as purely business institutions were taxed. They were now asking that the benevolent people, who were the minority of the population, and were supporting churches as civilizing agencies, should be taxed for the benefit of the large majority who cared nothing about such matters. He apprehended the people who supported the churches were not a third of the population, and surely they were doing enough in giving that support. The same remarks would apply to charitable institutions, hospitals, boys' homes, and so on, which should be exempt if they were not, for they were doing a grand and noble work. In theory it might be correct to tax everything, but in no case could a theory be pushed to all its consequences. Ministers' incomes were not now altogether exempt, and he was sure ministers did not desire to be placed on a different footing from the rest of the community, but the whole matter was a trivial one in that respect. He did not believe this view would be a reform if carried out—it would be a retrogression. He thought it would be unjust and impolitic, and very largely *ultra vires*. It had been said they should apply to the Imperial Parliament to remove these exemptions, but, if they once threw open the door of taxation in that way, they would have constant strife between the Dominion and the Provinces—the Dominion taxing Provincial property, and the Provinces taxing Dominion property. It was far better that the door should be closed once for all. Every municipality ought to pay something to support the general Government. We had no taxation for Dominion or Provincial matters, and it was a very little thing in that way to make the Government buildings free from taxation. He had thought this matter out and