

of information, that the petitioners on this subject outside the cities had no sort of idea that what they were asking was in effect that they should be taxed for the benefit of the cities. And yet that would be the effect if the prayer of these petitions to tax Government property were acceded to. The general public would be asked to pay any taxes which this city might impose on the Parliament and Departmental buildings, the Normal School, the University, &c. All these institutions were of great value to this city. Other cities also were benefitted from the existence of public buildings in them. There was Rockwood Asylum at Kingston, the Asylum at London, the Institute for the Blind at Brantford, and the Deaf and Dumb Institute at Belleville. He was not aware of any agitation in these different places for the taxation of the public buildings situated there. The city of Ottawa regarded the value to the city of a Normal School being situated there so much that the Corporation provided a large part of the land on which the school was built. The truth was that a good deal of the prosperity of the city of Toronto arose from the fact that these buildings were located here. It was perfectly clear, too, that those outside of the city who had talked of abolishing all exemptions had not intended that by abolishing the exemptions on the Provincial buildings the whole Province should be taxed to a considerable extent. Then there were county and township buildings when these were situated in county towns. Any one who was familiar with the working of our municipal institutions, knew that about the last thing the County Councils and Township Councils thought of was that the people of the entire municipality should be called upon to pay the taxes on these buildings. They were no doubt of great value to the county towns, and they were considered of such value that the county towns might well exempt them from taxation in view of the great advantages which the town derived from their being situated there. Another class of exemptions was personal property, when it was under \$100. This exemption was allowed for the sake of the poorer people and the community, and he did not think that those who had petitioned for the abolition of all exemptions had seriously contemplated doing away with this one and making the poor man pay taxes on less than \$100 worth of personal property. (Hear, hear.) There were others of the same kind which he might enumerate; such, for example, as incomes under \$400. The principle on which that exemption was allowed was, that that amount was absolutely necessary for the support of a man and his family, and it was a principle which appealed to every one's good feeling and sense of humanity. Still, they had had petitions signed by all sorts of people, including those whose incomes were less than \$400, but who certainly did not imagine that they were asking that taxes should be imposed on themselves. But for the existence of one comparatively small item—that of the salaries of judges and a few officials at Osgoode Hall—he did not think that outside of Toronto (where the taxes were very heavy) any such agitation as had arisen would have been possible. (Hear, hear.) And that exemption was one that did not affect anybody but the people of Toronto. A general notion prevailed that the salaries of officials generally were exempt, but that was a mistake. So far as the Ontario Legislature was concerned, they had not at present the power of taxing the salaries of officials of the Dominion Government. The salaries of these gentlemen might be exempt, but if they were it was because this Legislature had not the authority to deal with the matter. If, then, exemption was permitted it was because under our system it was supposed we had no right to tax the incomes of Dominion officials. That was now a question before the Courts; and of the four judges who had given an opinion on this subject, two had expressed one view, and two the other. If, however, it was decided that this Legislature had jurisdiction in the matter, then no further legislation would be required, as the present law would then apply. If, on the contrary, it was declared that we had no

jurisdiction, no law we might pass would be of any effect. The salaries of the members of the Ontario Government were not exempt, nor were those of the officers of the Departments, nor those of the Division or County Courts—in fact all sorts of officers appointed by this Government were liable to taxation, the only exceptions being the salaries of a few judges of the higher courts, and a few officials at Osgoode Hall. When the salaries of these gentlemen had been first exempted there had been a reason for the exemption, which might or might not exist; but the removal of that exemption would have a very small effect upon the taxation of Toronto. The total amount of the taxation of the city was something like \$50,000,000, while the total amount of the exemptions to which he had referred was about \$100,000; in other words, the proportion was about as \$1 to \$500. As few people paid \$500 taxes, it was really a matter which no taxpayer could feel to any extent. Still, it was a question which, with others, was fairly open for consideration. The principle upon which these salaries had been exempted in the first place was that the salaries of these gentlemen were not quite sufficient without other advantages in the way of exemption to make them adequate. It might be well, however, to consider this question along with others which might be referred to the Committee. That was one of the questions upon which he would like to know what public opinion really was, and especially the opinion of those who were familiar with the working of our system of municipal taxation. It was perfectly clear, however, that they had been misleading themselves in imagining that the public sentiment of this country was really in favour of abolishing all exemptions. It would not be possible to remove all exemptions, even if it was thought expedient to do so, because the British North America Act expressly declared that no Dominion or Provincial property should be liable to taxation. The same observation applied to some extent to incomes derived from the Dominion, it being a matter now before the Courts whether the Province could tax these salaries. Still, there were exemptions which were within the power of this Legislature to deal with, and in regard to which it was fairly a question whether they should be abolished or continued; and on all these matters he hoped to get light through the instrumentality of the Committee which he asked the House to grant him. They would have to consider several questions: whether any of the property now exempted from taxation should be rendered liable to it; whether it should be rendered liable to it absolutely in all cases, and in all municipalities; or whether the option might not be given to the State to declare whether certain species of property should be taxed or not. Another question would be, in case any property now exempt from taxation should be made subject to it, whether it should be made subject to the whole taxation, or to a certain portion of it—for instance, taxation for local improvements, sewers, roads, plank walks, and so on; for it might be advisable to make property liable to some taxation without making it liable to all. It might be a question whether something ought not to be charged upon Government property in respect of gas and police service. Many of our municipalities, including the metropolis, had got largely in debt for railway and other purposes; and it might be a question whether, in case they removed exemptions from certain descriptions of property, that removal should not be confined to some portions of the taxation—whether the exemptions should not continue in regard to other matters, such as the interest and sinking fund. The latter, he believed, in Toronto amounted to some \$300,000. Then he had spoken of various items of the present exemptions which might fairly be reconsidered; and in regard to them he should not wish to either express a positive opinion himself or bind his colleagues to one, because in asking for the Committee he wished, to be free to form the best judgment he could with the assistance the Committee would afford. It might at present be convenient to refer to some items now exempt-