

Mr. MARSHALL: None of these things enter into the problem at all?

Mayor LEWIS: No.

Mr. MARSHALL: So we cannot discuss with you any of these other exemptions.

Mayor LEWIS: You can ask any questions you wish. We will try to answer them.

Mr. MARSHALL: The question of services does not enter into the picture with any of these other exemptions?

Mayor LEWIS: No, not to the extent that we are making this brief presentation to you.

Mr. McILRAITH: I just want to correct or explain the question asked by my honourable friend here (Hon. Mr. Leger). I think it is clear that the taxes he referred to, with the exception of the poll tax, are also payable in Ontario. But they are payable to a different jurisdiction. The income tax is no longer a municipal tax in Ontario. It is really a provincial tax, and as a temporary war measure is collected by the Dominion. There is just a real estate tax on lands and buildings within the boundaries.

Mayor LEWIS: Yes.

Mr. MEDCALF: There is an income tax on corporations. It is not large.

Hon. Mr. LEGER: If a person owns an automobile in Ottawa, is he taxed on that?

Mr. McILRAITH: By the provincial government.

Mayor LEWIS: The problem is not to try to impose further taxes on the people, but to try to distribute equitably the cost of administering the affairs of the capital of the Dominion.

Hon. Mr. LEGER: Other sections of the country have such a tax, and resort to other modes of taxation in order to finance their own municipalities. If Ottawa had the same taxes as other municipalities throughout the country they would not be seeking to-day for increased grants.

Mayor LEWIS: I would refer you to page 12 of the brief, Exhibit A, which I think gives the picture fairly well from 1920 to 1943. This statement shows the population, the total assessment, taxable and exempt, for general purposes, the assessment exemptions of Dominion government, and assessment exemptions for churches, schools, and so on, in the city. You will notice that under Dominion government exemptions the figure has increased steadily from \$30,000,000 in 1920 to \$65,533,950 in 1943. Now, as far as taxation is concerned, we have pretty nearly reached the saturation point unless buildings are torn down and more costly ones erected and other business institutions brought in that we can tax.

Hon. Mr. LEGER: That does not meet the point. You are only taxing real estate.

Mayor LEWIS: We believe that is the proper system.

Mr. McILRAITH: In the province of Ontario there is more centralization in the assessment legislation than there is in New Brunswick. Certain taxes that formerly were municipal taxes are all collected by the province. The citizen pays most of them, but in a different way.

Hon. Mr. LEGER: Is the City of Ottawa paying to the provincial government.

Mr. McILRAITH: There is provincial income tax.

Mr. PURDY: Where is the tax on furniture?

Mayor LEWIS: With the permission of the Chairman, I would like the Assessment Commissioner, Mr. MacDonald to explain the system of taxation in the City of Ottawa.