

REPORT OF THE SEVENTEENTH ANNUAL CONVENTION OF THE UNION OF B. C. MUNICIPALITIES.

(Continued).

strengthen the Union which, year by year, is proving its increasing value to the municipalities of British Columbia."

Moved and seconded that the President's Report be received and referred to the Resolutions Committee. Carried.

Solicitor's Report.

The Report of the Solicitor was called for, which was read by MR. McDIARMID, as follows:

"I have the honor to present herewith my Eighth Annual Report as Solicitor for the Union of British Columbia Municipalities.

"It will be remembered that at the last meeting of the Union I refused re-election as solicitor; and 'it was moved and seconded that the matter of the appointment of a solicitor be left in the hands of the Executive with instructions to secure the services of Mr. McDiarmid, if possible.' The reason for my refusal was that I had been retained by the Honorable the Attorney-General to draft the new Municipal Act. This idea of the Local Government Board did not meet with the approval of the Convention. The Attorney-General had not intimated as to whether or not he intended to adopt the view of the Union or intended to put the Act before the House as it stood. I felt that as long as the Union was in accord with the idea of the Government there would be no difficulty in my working for both parties, but as soon as they differed in their views it was my duty to choose between my two retainers, and abandon one, as it would not be possible to serve two persons with different interests; hence in choosing I chose the retainer which more closely followed my own ideas, namely, that the Local Government Board, if composed of men familiar with municipal problems, would be of immense assistance to the Municipalities.

"Very shortly after the Convention the Honorable the Attorney-General intimated to me that he did not propose to put through the Act during the past Session, and, consequently, I was free to accept the retainer of the Union and to press for such amendments as the Convention had approved of, and to attend to the other matters which fall within the scope of my duties. Having intimated this to the President, at the first meeting of the Executive I was re-engaged as solicitor for the Union, in accordance with the resolution of the Convention.

"The first matter to which I had to attend, was the carrying on of the five year old fight against the Province Government for increased sources of revenue on behalf of the Municipalities, and for that purpose I attended two sessions of the Departmental Commission consisting of the Honorable the Premier, the Honorable the Minister of Finance, the Inspector of Municipalities, and the Inspector of Revenue of the Finance Department, held at Victoria, and, with the President and Members of the Executive, the two sessions held in Vancouver.

"This question of increased source of revenue has been constant before the Government of the Province for the past five years in some form or other. At the sittings at Vancouver my argument pursued the following lines:

- (a) The Municipalities cannot exist on present taxation—quoting at length Mr. Baird's speech at Penticton;
- (b) That Municipalities were collecting all that could be collected from the land;
- (c) That the improvements were in reality taxed through the over-valuation of the land assessments, while the vacant property was being confiscated for the same reason;
- (d) That tenant taxes for the occupancy of real estate was simply another form of taxation on the landlord, and he had all that he could stand now;
- (e) That any form of relief must come out of personality;
- (f) That all personality was now taxed by the Province, therefore any relief to Municipalities must come from what is now Government taxation;
- (g) That the fairest form of personality tax was on income;
- (h) That income tax should be collected by the Government;
- (i) That the Municipality should then receive from the Government sufficient extra to carry on, whether by assistance for special schemes or generally;
- (j) That if this was not found possible, separate the income tax and the personality tax to the Municipalities, and keep income tax;
- (k) That the Government raised ten millions and spent fourteen; that the Municipalities raised ten millions and spent fourteen; that the Municipalities were neglecting lots of things that they ought to do, and

really ought to spend about twenty; that the Government itself should spend about twenty, and that there would have to be a complete doubling or more than doubling of the income tax in any event, and then we would not feel it as badly as they have it in England;

- (1) That with our large resources, there was no sense in being in debt.

This Commission never reported to the House, nor do I think it was ever intended to do so being only a Departmental Commission for the information of the Ministers and not a Royal Commission appointed by the Legislature. We have no means of knowing how our argument impressed the Government, except for the fact that no legislation even approximately approaching our, or any of our, contentions was adopted. The only measure of relief which was given us is in Chapters 90 and 91 of this year's Statutes, the first of which gives authority to pass a by-law imposing an extra tax of ten per cent. on the admission price to places of amusement, and the other of which authorizes the Councils to impose a poll tax not exceeding five dollars upon all male persons who do not pay five dollars upon real property, and both of these taxes are ear-marked as being applicable only to schools and hospitals. The possible effect of these Statutes is entirely taken away by Chapter 33 of this year's amendments, which raises the rate that may be collected by hospitals from the Municipalities for indigent patients from one dollar to two dollars and fifty cents per day.

The experience of the present year has only strengthened the opinion that I had already formed, namely, that while increased sources of revenue are not necessary and probably not desired in the cases of strictly rural and producing Municipalities, in all Cities, and suburban Municipalities which depend upon the Cities' activities for their support, there is a need that some form of taxation, for Municipal and school purposes, and the administration of justice, should be devised which will come to the aid of the taxation on the land, so that the land will not be unduly burdened and fall into the hands of the Municipalities for non-payment of taxes.

The next matter which arose was at the request of the Township of Spallumcheen. It appeared that the office of the District Registrar in Kamloops was overburdened with work and was not able to attend to the requirements of the Municipalities in the Okanagan valley with regard to the revision of their assessment rolls, and the Municipality mentioned called on me, as solicitor for the Union, to see what assistance of the Mayor of Kamloops, who personally hunted up boarding-houses, I was able to have five experienced men transferred from Vancouver Registry Office to the Kamloops Registry Office for the month of December, and I understand the rolls were revised and checked and brought up to date in time.

My expense account for telegrams and telephone messages was paid by the Township of Spallumcheen, and was not a burden to the Union.

I received from Spallumcheen, under date of December 4th, 1919, the following message:

"At the meeting of our Council held yesterday, your energetic action was reported, and the following resolution unanimously passed:

"That the Reeve be requested to write Mr. F. A. McDiarmid, Union of B. C. Municipalities' solicitor, and express appreciation, and thanks for the interest taken to relieve Spallumcheen Municipal of a great deal of inconvenience, and trouble, in connection with the preparation of 1920 assessment roll, as required by the amendment to the Municipal Act."

In this connection, apropos of the City of Victoria's refusal to remain a member of the Union, might I be permitted to add that at the time that I was acting as above outlined I was, and am still, Counsel against the Municipality of Spallumcheen, in a matter in which I am acting for one Hales in an attempt to set aside a tax by-law of the Municipality. These two retainers have nothing to do with each other; the one against the Municipality is purely a local matter, a question as to whether or not the by-law has been properly passed. The other question was entirely separate and distinct, and remained an entirely different matter, and one in which I was free to serve the township, which I promptly did, nor can I see that any charge of inconsistent conduct can be properly brought against me.

When the Bill incorporating the engineering profession was advertised, I applied to the promoters for a draft of the Bill, and found that they provided for certain penalties under the Summary Convictions Act, provided that these penalties should be payable to the Association. I wrote the promoters and told them that the Union of British Columbia Municipalities