

Some of the conditions prevailing under our present system are as follows:

- (1) The value for assessment is arrived at not on the basis of the net rental value as is in the case in some other parts of the world (adopted as a result of long experience), but the assessment is reached in another manner. A tax of (say) 2½ per cent. on such assessed value, together with special frontage taxes, may sometimes be a tax of 5 or 6 per cent. or more per annum on the actual value, and the taxes thus become a charge on the property out of all proportion to—sometimes in excess of—the revenue obtained from the property.
- (2) The burden on the owners of property is so heavy that many are ceasing to pay their taxes, and the properties have been sold by the cities for arrears of taxes standing against them, subject to certain provisions for redemption. When title absolutely passes to the tax-sale purchaser (a condition likely to prevail in many instances in the ensuing year) for an amount equal to (say) 10 per cent. of the assessment, the market may be flooded with property at a price representing a very small part of the original assessed value. This means (a) a reduction of real-estate prices generally, causing loss to those who still hold property; (b) a shattering of the present basis upon which the cities raise their revenues; (c) the final expropriation or confiscation of the equity of the original owners of the properties sold for taxes.
- (3) The income tax (so-called) as now imposed is almost impracticable and very misleading. Even such as it is, it cannot be imposed on professional or business men who pay a tax on floor space.
- (4) The poll tax bears no adequate proportion to the total amount of taxes raised and to the individual portion borne by the average ratepayer assessed on real estate.
- (5) There is no opportunity under The City Act to take an appeal against an assessment into a court of law.
- (6) The children of parents living outside the city and making no contribution to the taxes are educated in the city schools and collegiate at the cost of the city taxpayers.

#### THE SUGGESTIONS OF THE COMMITTEE OF THE UNION OF SASKATCHEWAN MUNICIPALITIES.

The second committee was one appointed by the executive of the Union of Saskatchewan Municipalities officially to represent that body. Therefore instead of being interested only in the city problems, it concerned itself with those of the towns and villages as well, and being more homogeneous than the first committee, it had less difficulty in agreeing upon definite recommendations. On August 2 this committee met at the Parliament Building and transmitted the following suggestions:<sup>1</sup>

##### *Summary of Suggestions of the Committee of the Union of Saskatchewan Municipalities.*

I. The present distribution of the tax burden for provincial purposes is apparently inequitable as between the urban municipalities and the rural regions. As illustrations of this, there may be cited:

(a) *The Patriotic Tax.*—In operation this tax not only bears unevenly upon the various municipalities (those which tax improvements at a higher rate, for example, being called upon for a larger contribution) but it also applies inequitably as between the urban and the rural municipalities (for the rural municipalities tax land only while the urban municipalities usually have a broader tax base).

(b) *Licenses.*—The provincial government imposes license fees upon automobiles, picture shows, auctioneers, etc., returning a portion of automobile licenses to the rural municipalities and none to the cities. It is a question as to whether the contribution in that way to the expenses of the government which comes from urban centres is not disproportionate to the revenues received from the rural communities.

(c) *Support of High Schools.*—High schools and collegiate institutes are supported by the urban municipalities with the aid of government grants. In many cases a very substantial portion of the enrolment comes from the rural regions which make no direct financial contribution to the cost of the schools. The committee recommends that the financial support of schools of this grade be assumed entirely by the provincial government.

<sup>1</sup> The suggestions were made orally, this summary being compiled from the notes of the stenographer.

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<sup>1</sup> Report  
<sup>2</sup> *Ibid.*, p.