

City of Ottawa Agreement

commercial business, they should pay taxes equal to those paid by other people doing business in the same city.

I submit the same holds good with reference to federal government property. If the Post Office Department, a business organization, is carrying on a business—I admit it is not a competitive business—then it can well afford to pay taxes on the property in which it does business. A good property is being taken down, one which from year to year has yielded taxes to the municipality of Ottawa. The very moment that those buildings become the property of the federal government they are replaced by a federal building, and that much is removed from the assessment rolls of the city. By a proportionate amount, the taxes are lowered. In turn, those taxes have to be met by other property holders and business men.

All services of the city are at the disposal of the government, if they were in a position to take advantage of them. There is the health service, of which the hon. member has made mention, as well as police protection, educational facilities, fire protection, and the administration of justice. All these services are given in the municipality, and are at the disposal of the federal authority, if they were in a position to take advantage of them. The very fact that they are not in that position and that they do not need some of these services is no argument that they should not pay their fair and just share of the cost.

The agreement before us is practically the same as the one which has been in effect for a number of years. I suggest that it ought to be revised yearly, and on an upward basis. From year to year assessments have had to be raised in Ottawa. Chiefly on account of the relief problem, the tax rate in this and other cities has had to be raised continually; yet over a long term of years there is no change in the amount of money paid by the federal government. If the Minister of Public Works wants to deal fairly with Ottawa, I believe he should change his resolution from \$100,000 to at least \$200,000, as the amount to be paid to Ottawa for services rendered, and even at that amount the government is not paying more than fifty per cent of the value received. This government in the capital city cannot give an example to other municipalities by wanting something for nothing.

Mr. HEAPS: I have listened with a great deal of interest to the two hon. members who have preceded me. I believe every hon. member is anxious to deal with the utmost fairness with the city of Ottawa, and all are anxious to see Ottawa become a worth while

[Mr. McCann.]

capital of a great dominion. But I certainly cannot follow the arguments which have been presented by the hon. member who has just taken his seat. For instance, he has told us that the Ontario government are content to pay taxes on the liquor stores they control in the various parts of the province. I have not heard that the Ontario government will pay taxes on the hydro utility, an organization which does a fair amount of business in Ottawa. I do not know, for instance, that the Ontario government makes any contribution towards the taxes of Toronto, the capital city of Ontario. I know of no provincial government which makes a lump sum contribution to the capital city of any province for the services it receives.

I am not using these observations as an argument against the measure submitted to the committee, but I am speaking in answer to the statements which have been made. Further, I have not much sympathy for the plea on behalf of the business men in Ottawa, the description of the hardships through which they are going, or the deterioration of property values in the city. I say that, because I think there is no city in the dominion which has been better off in the past seven or eight years, taking it all in all, than has been the city of Ottawa. It has not suffered one part of what other cities have suffered in the past few years, in connection with meeting its municipal obligations. They have been extremely well off, compared with nearly all other municipalities in Canada.

On the other hand, if one were to take away from Ottawa all the improvements for which the government has been responsible, there would be very little that the city could show that it has done towards making the capital city a worthy capital for the dominion. Having had some experience in municipal affairs, perhaps I might be permitted to say that there is not that civic pride in Ottawa which I should like to see the people have towards making Ottawa a worthy capital city. If one takes away the parks and drive-ways and public buildings controlled by the federal government, what is there to show what is being done by the city?

I am not making these statements as an argument against voting the amount indicated. I wish the government to deal with the utmost fairness with the city of Ottawa, and I am not opposing the granting of \$100,000. I want to see Ottawa a worth while capital, but I also want to see her own people become a little more sympathetic, as indicated by their future action, towards the activity of this government in trying to make Ottawa the city it should be.