

tralia, in New Zealand, in France and in many other places. The municipalities are paid for the service they render.

You cannot expect the city of Ottawa to give adequate fire protection for a building like this if they do not get some proper compensation for it. I think the agreement speaks for itself. There is both federal and provincial property here. I can tell the committee about the case of the normal schools in London and Toronto, as well as the model school which takes up a whole block on Gerrard and Church streets. The city of Toronto had to build a sidewalk around that property; they had to build a roadway, and the province would not contribute a cent until Sir James Whitney in 1906 changed that principle. He said the Ontario government should be big enough to help the municipalities by paying for the city services rendered.

The only object I had in speaking on this motion was to try to get a fair deal for the municipalities. I have always been a great admirer of the city of Ottawa. I like the people here, and there is a great deal provided in the way of municipal services. I do plead for the municipalities. Mine is a national argument, not a provincial or federal one.

Mr. McCANN: Mr. Chairman, the hon. member for Broadview has been rather more generous to the city of Ottawa in the remarks he has made since having his dinner than he was in those before six o'clock. As I listened to his argument prior to the recess, it was that Ottawa was not entitled to this amount of money for services rendered because other cities, in which there were federal buildings, were not being treated on a similar basis.

I hold no brief for the city of Ottawa although, like all hon. gentlemen here, I am a part time resident of this city. Having lived in this section of the country all my life, I know the needs of this city perhaps better than do some other hon. gentlemen. I know that business men and property holders here are by no means satisfied with the arrangement which is made by the federal government from year to year. That agreement was brought about, I suppose, by compromise and because of the fact that Ottawa city officials feel that they cannot do better. I do not regard the \$100,000 a year that is paid to the city of Ottawa as a bonus or a subvention. You are paying in part for services rendered. You are paying for sewers, for roads, for water service, for police protection, for the sprinkling of the streets, and so on.

I submit, Mr. Chairman, that perhaps the biggest objection is based on the fact that you remove so much very valuable property from the assessment roll. The present policy of the government in regard to the beautification of this city is indeed laudable, and I am glad to see that they are taking the long view with reference to making the capital of this country a city of which we may be justly proud. There is no very severe criticism in Canada of the amount of money spent by the federal government with that object in view, but I submit that the present policy practically divides the city into two parts. If in the centre of the city large federal buildings are to be erected for governmental purposes, and if a space is to be given over for parks, we are going to have east, west and south of that area two business sections. It is an old axiom with reference to real estate that property lying adjacent to valuable property will be valuable. That does not hold in connection with the very valuable buildings which are being erected by the government.

For purposes of business, I would say that the presence of government property on business streets, as is contemplated with the erection of the post office at the corner of Sparks and Elgin streets, is detrimental to and lowers the value of the business property adjacent to it. The people who come to do business in this city in government offices are not the people who are going to carry on a large commercial business with the occupants of the buildings along Sparks street in the vicinity of the post office. I would say that the property of people on the opposite side of the street is reduced in value immediately a post office is erected at the corner of Elgin and Sparks streets. I would say the property opposite would depreciate in value anywhere from twenty-five per cent to fifty per cent, unless at some time or another that property, too, was taken over by the government.

In view of these facts, I think the government could afford to deal much more generously with the civic authorities in Ottawa than it has heretofore. A new principle has been accepted, and is being put into effect by the Ontario government with reference to the property which they hold and in which they do business. It has lately been proclaimed by the premier that they propose to pay taxes on those properties in which they have their liquor stores. They see the reasonableness of the demand which has been made by several cities and municipalities that, as the liquor stores are carrying on a