

pointed Prof. Haig, of Columbia University, to report on the incidence of taxation in urban municipalities, with the view of having the burden of taxation spread more equitably. Prof. Haig's report was published at the close of 1917, and, whatever may be the criticism on that report, it appears to the speaker that he at least put his finger on the disease and prescribed a course of treatment, which, if followed, would ensure a cure.

Distribution of Taxes

Prior to 1910 the tax base in the cities was distributed almost equally between land and improvements; in 1913 it was almost wholly on land; but while land still forms the base, the burden is being gradually, if perhaps all too slowly, shifted to other shoulders not more willing, but, in the speaker's opinion, more able to bear taxation. This is borne out by the following table which shows the percentages of tax base in 1910, 1913 and 1919 in the city of Moose Jaw:—

	1910.	1913.	1919.
Land (assessed 100%)	52.0	84.6	64.0
Improvements (assessed 60% in 1910, 45% in 1913 and 1919) ..	31.0	9.5	24.7
Business tax	15.6	5.5	8.8
Income tax	1.4	0.4	2.5
	100.0	100.0	100.0

These figures are comparatively true of other cities in the province, though, perhaps, in a lesser degree, as improvements are assessed at a higher percentage in Moose Jaw than in any of the other cities.

The following table, based on Prof. Haig's report, shows the percentage of tax levies in the seven cities for the year 1917. In cases where a business license is imposed, it has been added to the business tax:—

	Land.	Improve-ments.	Busi-ness.	Income.	Total.
Regina	80.1	12.6	6.6	0.7	100.0
Saskatoon	86.2	9.6	3.8	0.4	100.0
Moose Jaw	73.4	20.6	5.7	0.3	100.0
Prince Albert	92.8	5.7	1.5	..	100.0
North Battleford ..	92.0	8.0	100.0
Swift Current	92.0	3.6	4.4	..	100.0
Weyburn	87.9	7.4	4.7	..	100.0

NOTE.—All land is assessed at 100%; improvements assessed at: In Regina, 30%; Saskatoon, 25%; Moose Jaw, 45%; Prince Albert, 15%; North Battleford, 50%; Swift Current, 15%; Weyburn, 30%.

From the above table it will be seen that Prince Albert looks almost exclusively to land for the raising of its revenue, as it accounts for 92.8 per cent. of its tax levy, while Moose Jaw taxes land only to the extent of 73.4 per cent.

As stated earlier in this report, the speaker does not propose to enter into a discussion as to the merits or demerits of single tax, but this fact stands forth potent to all, that during the years in which urban centres looked to land as the main source from which to derive their revenue, the revenues necessary for the carrying on of the multifarious work of these urban centres failed to produce the revenues required, and towns and cities were driven to expedients of all kinds in the hope and in the endeavor to keep down to reasonable proportions their ever increasing liabilities.

In the city of Moose Jaw, with an area of 9,760 acres, there are approximately 61,600 lots, and the owners of 13,634 of these lots have handed them over to the city rather than continue to pay taxes on them. The total land assessment of the city this year is approximately \$15,000,000, and of this amount fully \$3,000,000 has to be deducted, being the assessment of the land acquired through tax sale, and, as it is an impossibility to raise the necessary revenue to run the city from the balance of the land assessment, the problem has to be faced, whether to our liking or not, of looking to other sources for the raising of the necessary revenues. This is no question of theory, it is a stern hard fact. It is useless and foolish for cities to continue to assess one-fifth

to one-third of the land at assessments which bear no relation to their actual value, for such land cannot produce the required revenue. In addition to the uselessness and folly of such procedure, there is a more serious charge—violation of contract between the community and the land owners, which contract requires in the present state of the law that "land shall be assessed at its fair annual value." This continual violation of contract between the city and the owner, strikes at the root of all progress and results in paralysis. Who can spend money on improvements in a community which ignores the rights of the other party of the contract? "So then, apart from any question of equity, cities must look to some other source than land for the purpose of raising its revenues. But is the raising of taxation by taxing improvements, incomes and businesses, as well as land, inequitable?"

Mr. J. N. Bayne, late deputy minister of municipal affairs for the province, says in his report for 1917-18: "In too many instances, the villages which were assessing land only, found themselves exempting from taxation business men with large incomes who were not contributing their just share to the upkeep of the community. 'Ability to pay,' was not recognized in a manner that meant ready revenues for the village concerned, for the more taxes the resident has to pay the more lively should be his interest in the management which receives and spends for him the assessment which he thus contributes." In these remarks the speaker heartily concurs.

Difference Between West and East

Before dealing specifically with the four points under discussion, it might be well for a moment to consider the question: "Why is the taxation problem more acute in the west than in the east." The first point which strikes the observer is the enormous progress which has been made in our urban centres in the last generation. In the short period of twenty years the huge debt which burdens our western cities has been created, resulting in prosperous communities springing up with all the utilities and conveniences which go to build up healthy towns and cities, whereas in the east and in Europe these processes have been going on for centuries, so that the burden does not fall heavily on the present citizen, nor are the interest payments to be met nearly so large as in the west.

This point is borne out by the following table, which has been prepared from the last annual report of the department of municipal affairs, and from the Canada Year Book, 1916-17 edition:—

Name.	Population, 1916 census.	Assessment per capita, 1916.	Debt per capita, 1916.	Tax levy per capita, 1916.
Regina	26,127	\$1,662	\$402	\$46.50
Saskatoon	21,048	1,727	389	43.70
Moose Jaw	16,934	1,554	309	47.35
Prince Albert ..	6,436	2,210	542	57.75
Swift Current ..	3,181	2,647	393	67.76
North Battleford	3,145	2,170	331	60.85
Weyburn	3,050	1,853	280	55.15
Average ...	11,417	\$1,767	\$384	\$48.60
13 eastern towns and cities ..	20,614	805	111	17.48
6 western cities, exclusive of Saskatchewan	25,906	1,294	305	34.77

From this table it will be found that the average assessment in the seven cities of Saskatchewan is \$1,767 per capita, whereas the average of 13 cities in the east is \$805 per capita, and the average of 6 western cities, exclusive of Saskatchewan is \$1,294 per capita. The average debt per capita for the seven Saskatchewan cities is \$384, in 13 eastern cities \$111, and in six western cities \$305. The average tax levy per capita in seven Saskatchewan cities is \$48.60, in 13 eastern cities \$17.48 and in six western cities \$34.77.

Another factor which militates against the continued heavy taxation of land is the enormous area within the muni-