

Personal Statement by Captain Wm. J. Conway.

Additional Civic Revenue.

The problem is to suggest some means of adding to our civic revenue. Before suggesting a new tax or the increase of an old tax, let us consider the possibility of securing a fair share of the taxes now collected in the city by the Provincial Government.

We understand that our province is the only one in the Dominion that retains the whole of the income tax collected within municipalities. It is generally conceded that the services rendered by the city to the citizen taxpayer is greater than the services rendered to that individual by the Provincial Government; yet the latter receives and retains the whole of the income tax.

The Provincial Government by relinquishing the realty tax to municipalities, recognizes that funds have to be provided with which to supply the services previously rendered by the Provincial Government. Similarly, a portion of the income tax should be given to the city, to enable it to pay for the increased services; services which enable the citizens to carry on business, etc., to their own advantage, and to that of the city and of the province.

From the statements that have recently appeared in the local Press, that the Provincial Government intends to pay the city \$250,000 annually, as a refund of part of the taxes collected by the Provincial Government in the city, it appears that the Provincial Government now recognizes the justice of the claim. Unfortunately the appearance of these statements may be only an indication that election day is close at hand.

The present city taxpayer cannot pay any more taxes; many of us cannot pay even the present taxes. The land on which the city taxes are collected is not elastic, therefore the only way in which more taxes can be levied (not collected) is to tax this land heavier each year, until the bulk of the city land reverts to the city because of unpaid taxes.

A more elastic tax is needed, one that will expand, or bring in more money, as the need increases with the increase of population—spreading the burden over all alike, and not, as at present, putting it all on to one section of the community. Income tax is the logical tax for the purpose; it would reach all sections, would be based on ability to pay, be on a sliding scale, contain exemption of living wage, would be elastic, difficult (and could be made still more difficult) to evade, and would be easy of collection at comparatively low cost, as the machinery already exists.

Assuming that it is not only just, but that it is absolutely necessary, that a part of the taxes now collected in the city by the Provincial Government be repaid to the city in order to enable it to pay for the services it renders to the citizens, the question arises what part or percentage should be repaid. The answer could be found by a joint mission representing the city and the Provincial Government.

Assuming that 30 per cent. be the proportion that the Provincial Government should repay the city under present conditions, a further