

which is preventing private enterprise from entering the building trades. By our attitude of failing to consider the problem as a temporary one and to look after it through the efforts of our national government we are bidding well to make it permanent.

For a moment or so I should like to deal with some figures which I suggest bear out my contention that the tendency is to confiscate improvements on real property. I have in my hand a clipping from the Winnipeg Free Press of March 17, in which it is indicated that the gross total arrears in taxes in the last ten years has risen very much. Although the table is given I shall not take time to read it. I will however read the figure for 1929. In that year the arrears of taxes in Winnipeg amounted in round figures to \$7,550,000 and in 1935 had increased to \$12,040,000, or an increase of about \$5,000,000 or almost seventy per cent. What is the result? The article goes on to state:

More property was sold for taxes last year than in any previous year. The taxes standing against it amounted to \$580,304. The property sold for taxes in each of the last ten years was as follows—

And then the article goes on to give figures showing the amount of taxes against property sold for taxes in Winnipeg. In 1929 the taxes due on property sold for taxes amounted to \$199,662. The taxes against property sold in 1935 had risen to the sum of \$580,304. The statement continues as follows:

Just what the taxpayers have been up against is seen from the tax sales of the last three years. The property sold for taxes in those years had more than \$1,500,000 of taxes against them. They were worth considerably more than that. And the amount of improved property, business places and homes going into the tax sale has greatly increased.

The article continues later on:

But more improved property is passing through the tax sales now, and the city may be expected to obtain title to an increasing number of such properties.

Then, may I read an excerpt from an editorial of the Free Press of March 17 last:

The taxes actually collected under last year's budget were nearly three-quarters of a million dollars less than in 1931, in spite of the imposing of a new tax on motorists, an increase in the water rates for general revenue purposes, and an increase in the business tax. A large amount of property again passed into the city's hands at the last tax sale, and hundreds of small home owners again asked for the privilege of working on the streets to earn their tax money and save their homes.

And later:

There are thousands of individual taxpayers who find it extremely difficult to pay the levies on their homes and many have lost their homes to the city or mortgage company.

Why do we have this confiscation of money invested in private homes throughout Canada? One of the reasons is shown in a tabulation prepared by Professor H. Carl Goldenberg, M.A., B.C.L., F.R. Econ. S. I shall read only a few figures to indicate what is happening in Canada. I submit that sitting here in parliament it is our duty to face and study the facts, and to base our opinions upon facts, and not upon theory.

Since I have come to the House of Commons, on many occasions I have heard the statement that there is no royal road out of the depression, that there is no easy way out of it. The statement is made that there is no panacea. Are we to shut our eyes and refuse to face the facts, or are we to look the facts in the face and try to find some solution? It is not sufficient to oppose reform far-reaching enough to meet our problems because it is said there is no royal road or no panacea. Of course that is exactly what has stopped progress in the past. There has been the old cynical cry, "There is no royal road." I submit it is up to the House of Commons to find some road out of our present situation, whether it is a royal road or not.

I find on page 2 of the report figures which indicate that the decline in the assessed value of real property has been accompanied, in many cases, by an increase in the tax rate. For example, in 1929, the tax rate in Kitchener was 36.75, and in 1935 it had increased to 41.7. In Ottawa the rate in 1930 was 31.35 and in 1935 it was 36.80. In Montreal the tax rate in 1931 was 24.8 and had risen in 1936 to 27.7. Coming to western cities we find that the rate in Winnipeg in 1929 was 33, and in 1935 it was 34.5. In Saskatoon the rate in 1933 was 42.9 and in 1935 it was 44.9. The tax rate was recently struck for the year at slightly over 45. That means a tax of almost five per cent on real property in Saskatoon, and five per cent on sixty per cent of the improvements thereon. Coming to Calgary we find that in 1929 the rate was 44.5 and that in 1935 it had risen to 50. In Nanaimo the rate in 1929 stood at 47 and in 1935 had risen to 55.

There is the situation. We have a confiscatory tax on real property and improvements. The increase in tax rates has brought about an increase in tax arrears. What do we find in connection with arrears? The tax arrears are a first charge on the real property or the homes of the people of Canada. We find that in the city of Montreal tax arrears in 1931 amounted to \$15,650,000 and in 1936, to \$23,083,000, an increase of about \$8,000,000 which stands as a charge against the homes and business places of Montreal, wiping out