

in. They don't like the system of exemptions altogether. In one municipality in this Province you get a few men who get up—

The CHAIRMAN: Supposing the assessment was perfectly equal and just in this municipality, but yet a manufacturer here was at a disadvantage with a manufacturer in another Province, what would you say? He would have to bear that, wouldn't he?

Mr. KEMP: I would say that in the interests of the Province, in order to induce the investment of capital in industry, that the Government or the municipalities should see to it that that kind of thing did not exist, because that would necessitate the removal of capital from this Province.

The CHAIRMAN: That would not be for the Government to do; it would be for the municipality.

Mr. KEMP: I think it would be for the Provincial Government. I think what we are striving for is to get a uniform law throughout all Ontario and not let one municipality feel that they can bid for an industry and take it from another place, and one class of men say, "We are a little smarter than men in that other town, and we will get this industry here,"—and that kind of thing goes on, and then people get up and protest against the equalization of the law, just because they cannot gain an advantage for their own place. That is a thing that ought to be done away with as much as possible. I thought perhaps that Mr. MacKelcan would be the only one that would oppose the views of the manufacturers today. I am glad to see his attitude is changed, for he seems to realize that those who carry on business for export—by which I suppose he means export outside of the city to other Provinces—and the man who carries on business here, should be recognized as benefiting the community. The manufacturers don't ask any favours of that kind that he outlined; they are willing to pay their fair share of taxation. Then he speaks of the benefits manufacturers receive, and he refers to the police protection and fire protection, and that is a fair issue; but what is police protection? What is fire protection? Let that be determined, and let the city charge the manufacturers with whatever police protection and fire protection they give. The manufacturer in this city has his own night watchman; he is not subject to the police protection of the city. The police preserve general order throughout the city, but all the manufacturers of any importance through the city have one or more watchmen of their own, they have their own fire protective system, and at the same time I submit they ought to pay their fair share, but that fair share does not constitute 2 per cent. on the capital they have invested in these ways. It seems to me it has been pretty well proven that you cannot successfully carry out the law; it throws too much responsibility on the officials who are charged with it; and I want to emphasize what has been already stated here on previous occasions of the justice and the fairness of the officers of this city in whose hands this law is entrusted at the present time. At the same time I think, in view of the future, that it would be well not only for Toronto but for all the municipalities to have this law changed. Reference has been made to Mr. Blain's views as expressed before this Commission. I spoke to Mr. Blain afterwards, and he said what he had in his mind was to adopt a rental value tax on those classes of merchants who carried a stock, and the manufacturers, and the income tax that he referred to he thought ought to be applied to those who carried no stock, agents, for instance. Now, this city is becoming a city to a considerable extent of agents. We have men occupying offices here who carry no stock and who represent business in Montreal or in Europe, or perhaps the United States. I say that that plan is feasible. That is what Mr. Blain had reference to. We have this morning the example of our friend, Mr. Beardmore. I am justified in saying that it was only the fear of the ap-