

Public Works, has written the city council protesting against the proposal to levy an assessment upon the incomes of the officials of the government. The Minister's protest is based upon the agreement entered into some years ago by the government and the city, the terms of which included the exemption from taxation of civil servants' incomes.

The city solicitor, as reported by the daily papers, stated that the agreement was entered into upon the assumption that these incomes were not assessable, but that this had been proven to be wrong by the decision of the highest court of the land and that the city had consequently gone beyond its power in the matter by granting such exemption. The solicitor expressed his reluctance to discuss the matter in view of the possibility of the government making the question one of litigation.

Mayor Scott stated that if an agreement had really been entered into with the government, the city would have to stand by it. In any event, it was probable that if an attempt were made to collect the taxes, the civil servants would carry the matter to the courts for a decision.

The council disposed of the matter in its usual prompt and business-like manner. No definite action was taken with reference to the letter of the Minister, which was ordered to be filed.

The government is to be congratulated upon its evident determination to discover whether the city really intends to live up to the terms of the agreement or not. There is a well-founded suspicion that its attitude at this time is inspired by a desire to obtain further concessions from the government. At all events it would appear from the report of the discussion which took place at the meeting of the Board of Control that the city is not altogether certain as to the strength of its position, notwithstanding the steps which have been taken to make the assessment.

The decision of the Supreme Court in the appeal of the government employees of St. John, N.B., will probably influence future action to a degree and until that is given there is not likely to be any further developments. It might be well, just here, to point out the incorrectness of the city solicitor's statement to the effect that the highest court of the land had decided that these incomes are assessable. It is true that the Judicial Committee of the Privy Council has decided that the municipalities of the Commonwealth of Australia have power to assess the incomes of federal officials, but there are sufficient points of difference as between the Canadian and Australian cases to warrant the belief that a more favorable decision can be looked for in the event of our service having to carry the matter to the Privy Council.

In the meantime the position of the civil servants of Ottawa is clear and definite: If the city is prepared to abandon its agreement with the government, and it can be shown by "the highest court of the land" that they are under legal obligation to pay an assessment upon their incomes, they will meet the additional burden of citizenship cheerfully and without complaining. It may be taken for granted, however, that until this is done not a dollar of any assessment upon the salaries of civil servants will find its way into the coffers of the city treasurer.

TEMPORARY EMPLOYEES.

An element of uncertainty obtains in some quarters as to the precise intent of the bill with reference to the temporary employees now in the Service. It is specifically stated that all such who are now paid out of civil government contingencies shall be taken into the permanent establishment. It happens, however, that a majority of these clerks are not paid from this