

already discussed. I will only speak of two other items, Sewerage and Interest. What has sewerage to do with personalty? A Real Estate owner builds a house as an investment. Before he can hope to rent it he must provide proper accommodation. If he built it without chimneys it would not rent. Tenants would object to stick the stove pipes out of the windows or through the roof. In like manner proper sewerage must be provided. This is a convenience attached especially to the house occupied by any person, and the taxes paid on the house should cover this as well as other charges. Take for example a row of dwelling houses of uniform size and containing similar accommodation, and also rented at the same yearly rental. Now, of half-a-dozen tenants, no two are alike as far as regards their wealth. One may be a poor widow struggling to support herself and little ones by keeping boarders, for which purpose she requires a house far above her own individual wants. Her next door neighbor may be a merchant or manufacturer and so on. All these people evidently enjoy all the same benefit from the Sewerage, Schools, Gas, Police, Fire Department, and other subjects of expenditure. These things cost a certain amount to provide and therefore a certain definite value can be given for a certain amount of money. The landlord can only get the same amount of rent from each tenant. He can't ask any larger sum from the rich man because he is rich. Why then should the rich man pay more for these items. Is this equitable or fair? It does not so seem to me. The next item I shall discuss is Interest, \$132,997. This includes interest on Water Works Debentures which amounts to about \$60,000, leaving about \$73,000 for General Purposes and other debentures. As before stated the revenue from the Water Works, including street watering rates, amounted to \$113,146, which is more than sufficient to cover the interest on the debentures, the Sinking Fund proportion about \$9,500, and charges against revenue, which items amount in the aggregate to about \$100,000, and helps toward the amount expended on Capital Account, about \$30,000. As before stated, the revenue from Water Works is derived now wholly from Real Estate, so that the \$73,000 of interest is all I have to discuss. This is required to pay the interest on the old debts, which debts were mainly incurred in bonuses to Railways and other improvements which were deemed necessary or advisable to improve the City, and to keep it up in such way as to make it of some reputation as a place of business, so as to induce persons with capital to cast in their lot with us. This interest is a charge that should be borne by Real Estate only. This indebtedness is of twenty-five or thirty years standing at least. It is over twenty years since the debt was re-arranged, and there seems no fairness in expecting personal property of persons who had nothing to do with contracting these debts—who derived no benefit from those debts—to assist in paying them off. It is very different with Real Estate. These debts were incurred at a time when it was feared that other places would spring up which would go ahead of us, which would necessarily have caused a great decline in the values of Real Estate. Merchants would have left the place and taken their personalty with them, but the land and empty buildings would have remained. These debts were incurred to save the Real Estate owner, not to benefit personal property. It was very much of the nature of a speculation which was not entirely successful. Probably merchants and others holding personal property might have been as active as Real Estate owners in incurring these debts. They acted in a public spirited way, and had the interest of the City at heart, but if the matter is looked at without prejudice, it will, I think, be manifest that the actual effect was to improve the value of Real Estate. It will be well remembered that there was a great boom in Real Estate about the time these debts were incurred, say 1851-2-3. Lots were sold then at prices which they have never reached since. The effect was to raise the price of Real Estate, and large amounts changed hands at big prices. Upon looking at the Abstract of Receipts, it will be seen that the amount raised directly from the people by assessment arises from the Taxes and Water Rates. These two items amount to \$425,500 or thereabouts, of which over one-fourth is already raised entirely from Real Estate, and I have endeavoured to show why I consider that the other three-fourths should be raised in the same way. It seems to me to be a mistake to jump to the conclusion that every one in the City should be taxed according to his wealth. To assert this as a mere proposition without showing any principle of equity and justice to support it, is unreasonable and illogical. The City spends its money practically, or I think I mean theoretically, in the same way as an individual receiving a certain equivalent of work for the money expended. This means that a certain