

or twenty at half the price? What action is being taken; who is doing anything in that regard? Nothing of any real consequence is being done. We have reports, academic discussions; but if the Prime Minister of this country (Mr. Mackenzie King) and the cabinet which surrounds him would take definite, drastic action in regard to this problem, he would have the backing of this entire chamber, and as one year succeeds another we would have more nearly cleaned up this problem which is not only menacing the morale of our people, making unemployables out of employables, but also breaking down the tax structure of our municipalities and making it impossible for home owners to continue to own their own homes.

Just next door to the farm where I was born, within a mile from where I live, the R. H. McGregor school, which houses now some 2,000 pupils and which some thirty-five years ago housed three members of this hon. house and a leader of the opposition in the provincial legislature of Saskatchewan, four boys in that little red school house that in twenty years did not have an average population of twenty-four, now looks out on forty acres of land which has been taxed \$7,000 a year or more. By the sale of the ground on which the school house stands, valued at some \$40,000, and another piece valued at \$54,000, a total of \$94,000 of taxable value has been paid back to the municipality in taxes. A most desirable piece of property on the outskirts of the city of Toronto, has been taxed at the rate of \$7,000 a year, until the owner of that property could not pay any more taxes and to-day languishes in the mental hospital at Mimico, out of his mind, while on June 1 of this year the township of East York will take over forty-two acres of building land, and that struggling, broken-down, bankrupt municipality will find itself the owner of that much more real estate, knowing not what to do with it, losing the revenue of \$7,000 a year from that particular property because construction is at a standstill in Toronto, as people buying homes would find themselves taxed out of those homes again, and therefore hesitate to start any construction program. Until the tax rate is brought down construction will not start.

The minister will admit, we all admit, that of all the industries which are suffering, the construction industry is probably suffering most. The shrinkage since 1929 is 25,000 mechanics. I appeal to the Minister of Labour (Mr. Rogers) to meet these mayors in conference and discuss with them calmly their difficulties, remembering that if we are to get

[Mr. Harris.]

back to any kind of prosperity we must make those homeowning and homeloving people contented, who are now so fast losing their equities. And, I pray the minister, do not counter some poor mayor by saying that these irresponsible threats are futile. I hope the government are not approaching the problem from that angle. We hope they approach it from the angle of conciliation and trying to find a remedy for this difficult situation in order to start again some real prosperity in this country. Action is what we need; action with the heads of all sorts of organizations who are willing to help, anxious to help, is the crying need of this country to-day. Give us that action; give us that leadership and you will get the support of all sections of the house.

Mr. T. L. CHURCH (Broadview): Mr. Speaker, I did not know that this discussion was coming up on a motion to go into supply, as my motion is number one for to-morrow. But I have no objection to the motion, although it anticipates mine of January 27. Since 1936 I have had this matter on the order paper. I was here all day yesterday and last week and the week before and the week before that, hoping to have my motion considered. It was the first motion handed in this session, but it is No. 7 on the order paper, and is up to be dealt with to-morrow. I had no notice of the present discussion.

As one of the representatives of the city of Toronto I have no hesitation in laying the case of that city before the government. I do not know whether the minister had notice of this question coming up or not, but I have brought to the attention of the house for the past four years, the problem of the condition of the real estate holder in Toronto burdened with relief. Among the larger municipalities, with populations over 40,000, you find that in every case the taxes levied on real estate amount to ninety-two to ninety-four per cent of all municipal revenue.

The hon. member who preceded me (Mr. Harris) has described the lot of the industrial worker to-day. Most hon. members are real estate owners; they are familiar with the unfortunate position of that form of investment. So bad is it that nobody wants to have any investment in real estate, if he can get a better investment. The tax on real estate to-day, Mr. Speaker, as perhaps you know, constitutes a rent in itself, as a result of Canada's overgovernment and overtaxation. The relief problem of the municipalities is directly both the cause and the effect of mistakes which we have made in taxation. There is practically no building of homes or resi-