

The Dominion Government and the Municipality of Ottawa.—Continued from page 115.

In connection with fire protection it must be borne in mind that our water system with its distribution mains, booster plant, and hydrants, exists not only for supplying the water for domestic purposes, but also to provide water for fire fighting. A very large proportion of the cost is due to the necessity of being able to supply water at a high pressure. Any part of the cost of our water system not paid for as water rates should be paid as fire protection.

Sewers.

The Government uses the trunk sewers of the City and also local sewers as other property owners in Ottawa. Legally the City cannot tax the Government for the cost of these sewers. At the same time it may be pointed out that the City is under no obligation to supply the sewers. So far as any legal obligation is concerned there would seem to be nothing to prevent the City from cutting off all government sewers at the street line.

Trunk sewers are covered by the general tax rate. Local sewers are constructed as local improvements and the greater portion of the cost is collected from a special rate imposed on local property owners.

If the government paid for sewers as part of the general tax rate there would still be a balance due the city for the government's share of the local sewers.

Streets.

Government employees and those having business with the Government use the city's streets. The pavements and sidewalks are maintained for them as well as for others.

All unpaved streets are maintained out of the general tax rate. Pavements and sidewalks are paid for partly out of the general tax and partly out of local improvements rates charged against property owners on the streets.

So far as the cost of streets form an item in the general tax rate there can surely be no reason why the Government should not bear its share.

The Government recognizes no general obligation to pay for local improvements. As a matter of fact in recent years there has been very little trouble on this score. Usually when local improvements have been constructed the Government has made a special agreement to bear its share of the cost. It is suggested that the Government should submit to the general rule and agree to be liable for local improvements as other property owners.

The Government has in a few cases agreed to maintain the City streets in front of its property. This is a matter of no great importance, but assuming that the Government entered into an agreement to pay taxes as suggested in this argument the City should be expected to take over the maintenance of these streets.

Hospitals and Public Health.

The City maintains a health department with sanitary inspectors, food inspectors, infants' nurses, laboratory officials, and all also that pertains to a first class health department.

The City has three civic hospitals for the treatment of contagious diseases and tuberculosis.

The general hospitals have been constructed by private generosity. The City makes a grant of \$1.25 a day to cover the cost of patients who are unable to pay for treatment.

It has already been pointed out that the Government employed 12,000 people and that those people and their dependents form at least one-quarter of the population of Ottawa. Fees paid for hospital treatment with few exceptions do not cover the cost. Civil servants are as generous as others in the same financial position, but few of them are able to make any large contributions to hospitals. The result is that the hospitals of Ottawa have been constructed and are for the most part maintained by men not connected with the Government. If the 12,000 civil servants were soldiers there would be no question of their employer assuming responsibility for their hospital accommodation. The people of Canada should not be content that those who are employed by Canada should remain to any extent a burden on private generosity or a charge on the ratepayers of Ottawa.

Schools.

The argument as to schools is the same as for other services. It may be suggested that the government has no children. The answer is obvious. The Edwards Company has no children. Mr. J. R. Booth has no children in attendance at schools. The Edwards Company, Mr. J. R. Booth and all other landowners and employers pay school taxes. There is no reason why these other landowners and employees of labor of Ottawa should pay higher school rates because our largest landowner and our greatest employer of labor pays none.

It is unnecessary to repeat the argument which has been already sufficiently labored in connection with the services rendered by the other branches of the civic administration which find their way into the tax bill. The obligation of the Government in regard to these is the same as in connection with those already dealt with.

The Government Tax Bill.

If the Government had in 1918 paid water rates under the city by-law and had paid taxes on government property and civil servants' incomes at the average rate of taxation this is what would have been paid:—

Water Rates	\$67,210.63
Street Sprinkling	2,140.42
Taxes payable on the income of civil servants (taxable income \$2,500,000.00, after allowing for exemptions	57,175.00
Property Tax	483,887.80
Business Tax—	
Government-owned property	226,271.95
Property leased by Dominion Government ..	46,034.45
Local Improvements assessed against Government property or property of Ottawa Improvement Commission not paid by the Government—	
Dominion Government	\$2,647.85
Ottawa Improvement Commission	1,085.50
	3,733.35
	<hr/> \$886,453.60

The Business Tax.

An explanation is appended as to the way the figures submitted have been made up. It may be advisable to say a word here as to the business tax. This tax is called a business tax but bears no relation to the amount of business done. It is based entirely on the value of the premises occupied. Essentially it is a property tax imposed on premises where men work. The Bank of Ottawa which pays a business tax on the bank building in which its employees work gets from the municipality no more and no different service from that which the Government gets in connection with the buildings in which civil servants are employed. A bank or life insurance would be assessed for 75 per cent. of the value of the property occupied. A manufacturing establishment pays on a valuation of 60 per cent. In order that there may be no question the Government has been assessed on a basis of 50 per cent. and that only on the land occupied.

As to one thing there should be no question. The municipality should never again consent to enter into an agreement extending over a term of years based entirely on conditions existing at the time the agreement is made.

Since the last agreement was entered into the Dominion Government has expropriated or purchased in Ottawa land and buildings assessed at \$1,948,300. This property formerly paid taxes. It is now exempt from taxation and water rates. The amount which the City would have received in 1918 from this property alone would have been \$44,531.00.

Since the making of the agreement the Government has constructed a number of new buildings which have increased the burden of the municipality without any corresponding compensation from the Government.

Since the making of the agreement the Government has leased several million dollars worth of buildings not formerly occupied by the Government. As soon as these buildings were leased the City lost the business tax and water rates.

Further the cost of civic administration has, like most other things, advanced.

The existing agreement never even approximated fairness