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The editor is desirous of securing copies of the CAMP FIRE for June and December 1895, and of THE ONTARIO GOOD TEMPLAR for September 1895. Any friend who can send to this office one or more of the papers named will confer a special favor on the publisher.

FINANCIAL LOSS.

How Canada is robbed by the Liquor Traffic.

SOME TELLING FACTS.

The following forcible statement of the financial evils entailed upon our country by the liquor traffic, is condensed from the Minority Report of the Royal Commission on the liquor traffic.

DIRECT COST OF THE LIQUOR TRAFFIC.

The Commission has made an estimate based on the average annual consumption for the five years ended 1893. Excluding cider and native wines, and taking an average of the retail prices, the calculation shows that the sum of \$39,879,854 is paid annually by the consumers of liquors in Canada. The Commission adds that "as more than one-half of this amount is paid for spirits, to which, it is well understood, a large addition of water is made before they are vended to the public, the total amount is probably considerably in excess of the sum mentioned." In the calculations which follow, the estimate \$39,879,854 is used.

The money thus paid may be fairly said to represent so much diminution of wealth, as the liquor when consumed, leaves the community in no way advantaged. When money is paid for clothing, food, or other commodities, the purchaser is supposed to have value for his outlay. Both buyer and seller, respectively, possess wealth formerly held by the other, slightly increased by the exchange. The liquor seller possesses the wealth formerly held by his customer, but the customer-consumer has nothing. The community is poorer at least to the extent of the money spent for the liquor. The annual expenditure of liquor, therefore, may be regarded as so much direct loss to the country.

The amount of grain used in the manufacture of this liquor also represents material destroyed. Part of it was Canadian grain which, had it not been used in liquor-making, would have been available for export or other use. Part of it was imported grain for which the money had to go out of the country. All the grain destroyed in the liquor manufacture has a right to a place in the calculation of loss. The Commission's estimate of the value of the materials used is \$1,189,765, of which \$23,423 is paid for imported articles.

The foregoing figures show only the direct loss in the purchasing transaction—the money paid by the purchasers of liquors for which they have no equivalent; and the value of the grains, etc., diverted for useful purposes.

INDIRECT COST.

There are, besides, other and greater losses caused by the liquor traffic, which are not so easy to put into figures. Few question the existence of these losses, but their extent is not generally realized. The facts are ascertained by estimates. The estimates vary; but all who have made a study of the subject agree that the burdens borne by the people on account of the liquor traffic are very great.

The facts set out in this report make clear that much disease, insanity, idiocy and other things which go to increase the independent classes is due to the liquor habit, and that a very large proportion of the pauperism and crime of the country is attributable directly or indirectly to the liquor traffic. The cost, therefore, of the support of hospitals, insane asylums, police, jails, penitentiaries and the courts, to say nothing of the large sums spent in voluntary charities is rightly chargeable, in considerable part, to the liquor traffic.

Of course, nothing more than conjecture is possible about the large sums disbursed in voluntary charities for the help and support of the victims, direct and remote, of the drink habit.

COST OF PRISONS, ETC.

So far as facts about such expenditure have been ascertained, they show appropriation in 1891, from the public funds for penitentiaries, jails, insane asylums, reformatories, almshouses and charitable institutions amounting to \$2,258,612.

The figures, however, are very incomplete. Only three provinces (Ontario, Quebec and Prince Edward Island) make anything like full or accurate returns. The other provinces seem to be without any reliable records of many things about which information was desired, many of the countries making no returns whatever.

Then, the above figures do not include, for any of the provinces, the cost of the administration of justice, the police expenditure and, possibly, other important items.

It is, therefore, not well to use them as the basis of an estimate of the liquor traffic's share of the responsibility for these expenditures.

The Province of Ontario furnishes the fullest returns.

If the other provinces spend in the same proportion to their population for prisons, reformatories, asylums, hospitals, other charities and administration of law, then the amount so expended annually in all the provinces, Ontario included, is \$5,091,712.

In addition to the above there is to be considered the cost of the maintenance of the penitentiaries of the Dominion. According to the Statistical Year Book of 1893 their net cost for the year was \$336,483.

Adding these sums it is seen that the annual cost to the country of the institutions named, is \$6,028,195.

It will, however, not be an extravagant estimate to say that, at least one-half this expenditure is fairly chargeable to the liquor habit and the liquor traffic. On this basis, then, the liquor traffic entails upon the country for penitentiaries, goals, asylums, reformatories, almshouses and like institutions, and for the administration of justice, an annual expenditure of \$3,014,097.

LOSS OF LABOR.

In considering the loss of labor and the general interference with industries caused by the liquor traffic, the difficulty of even approximate accuracy is admittedly very great. Sufficient attention, however, has been given the subject to enable your commissioner to present an estimate. The conclusions reached are within the limits warranted by the facts.

Employers who came before the Commission were questioned as to the loss of time by employees, and the loss to their business by the drinking habits of their men.

The general testimony was to the effect that much time is lost by drinking employees, and that work is frequently interfered with, sometimes seriously, by the absence or incapacity of drinking men. The majority of employers expressed a decided preference for abstainers: they would not keep excessive drinkers in their employ, and the majority regard even moderate drinkers with suspicion. Many were asked about the effect of saloons in the vicinity of their factories, and nearly all were pronounced in their objection to them as furnishing a temptation detrimental both to their employees and their business.

The loss to the country is, of course, not at all represented by the mere loss of time by men who are regularly employed. The country loses because of the prevention of the production of wealth on account of the persons in jails, in hospitals, in asylums, out of employment or in any way idle, when intemperance has caused such idleness. It is also worthy of note, having been stated to the Commission by a number of witnesses, that the working of a gang of men in a factory, or any set of persons who work to a certain extent dependent upon each other, is much interfered with by the absence of one or more. This is more and more the case as industrial development progresses, as machinery is being used and work more and more subdivided. In a highly organized manufacturing industry, any interference by absence or incapacity, with one part of the work, affects the operation of the whole. So, not only those who drink lose time and possible earnings, but their fellow employees who do not drink are also losers, and the industry which employs them suffers interference and loss.

There is also the depreciation of wage-earning capacity, of which it is perhaps, not possible to make an estimate.

The report of an English parliamentary committee says:—

"The loss of productive labor in every department of occupation, is to the extent of at least one day in six throughout the kingdom (as testified by witnesses engaged in various manufacturing operations), by which the wealth of the country, created, as it is, chiefly by labor, is retarded or suppressed to the extent of one million of every six that is produced, to say nothing of the constant derangement, imperfection, and destruction in every agricultural and manufacturing process, occasioned by the intemperance and consequent unskillfulness, inattention, and neglect of those affected by intoxication, and producing great injury in our domestic and foreign trade."

Canada, probably, suffers less. The people are more sober. Hon. G. W. Ross and Hon. George E. Foster have estimated that one-tenth the producing power of this country is destroyed by intemperance. These gentlemen had given much and careful attention to the subject, and were not disposed to make unwarranted statements. The facts gathered in this inquiry seem, in the judgment of your commissioner, to fully justify their estimate.

Least, however, one-tenth might be regarded as an excessive estimate, your commissioner bases the calculations which follow on a still lower estimate—say eight per cent. or less than one-twelfth. When all the ways with which drink interferes with the regular work, not only of those who drink, but of others also, are considered, it must be conceded that the estimate is quite within the mark.

The following figures are taken from the census returns. Bulletin No. 10 sets out that in 1891 there were 75,768 manufacturing industries in the country, that they employed 307,865 persons, and that the value of their output was \$175,445,705.

Deducting from the value of the output the cost of the raw material, the power used, etc.—\$25,983,219, and the wages paid—\$99,762,441 (an average of \$271.00 per employee), there remains the sum of \$119,700,045 as the net value of the product of the industries—an average of \$325 worth produced by each employee. This amount (\$119,700,045) is capital's share of the product of the industries, as the wages paid (\$99,762,441) is the employees' share of the product.

The proportion of the population engaged in various employments is slightly over one-third (see Census Bulletin No. 18), or more than 1,600,000. If eight per cent. of the working and earning power of the country is made ineffective by drink, the loss to the country is equal to what 128,000 earners would produce, namely, (1) wages, at \$271 each, \$34,688,000; and (2) increment at \$325 each, \$41,600,000; a total loss of \$76,288,000.

SHORTENED LIVES.

That there is much drink-caused mortality has already been shown. The estimate that annually in Canada 3,000 lives are cut short by intemperance is moderate. By the death of each of these 3,000, several years of productive power are lost to the country. Ten years has been estimated as the average loss in each case; but, supposing it to be not more than eight years, the total is equal to the annual loss of 24,000 workers whose work, on the basis of the calculation already made, would have produced \$14,904,000.

MISDIRECTED EFFORTS.

There are engaged in the various branches of the liquor traffic about 13,000 men.

These men are not only not producing anything which adds to the wealth of the country, but are creating conditions which increase the public burdens, while they, themselves, draw upon the depleted resources of the country for maintenance.

One item, not the largest, of the loss to the country by the misdirected effort of these 13,000 men is the loss of their productive labor, which, according to the estimates herein used, would be \$7,748,000 annually.

A SUMMING UP.

In this connection the fact must be noted that a proportion of the national, provincial and municipal revenues is derived from the liquor traffic. The total amount thus contributed is calculated by the Commission at \$3,478,316.22, the details of which are given below in the table below.

This is the amount which the liquor traffic pays for the privileges granted it. It is right that this amount should be set over against the items of loss, and the various expenditures caused by the traffic, hereinbefore considered. This may be done as follows:—

COST OF THE LIQUOR TRAFFIC.

Amount paid for liquor by consumers	\$39,879,854
Value of grain, etc., destroyed	1,888,765
Cost of proportion of pauperism, disease, insanity and inebriation chargeable to the liquor traffic	3,014,097
Loss of productive labor	76,288,000
Loss through mortality caused by drink	11,904,000
Misdirected labor	7,748,000

Total

REVENUE FROM THE LIQUOR TRAFFIC.

Dominion Government	\$7,101,537
Provincial Governments	924,354
Municipalities	420,107
Total	\$8,455,022

Net loss

In the foregoing table the items charged to the liquor traffic are moderate estimates, and many things, which might properly be included, are omitted because of the difficulty of putting them into dollars and cents. Your commissioner has no doubt that were fifty per cent. added to the above balance against the liquor traffic, it would not then be excessive. At the lowest, it is so large that it may well engage the attention of even those who take no other view of this question than the business one.

AN ANNUAL CHARGE.

It must also be kept in mind that the enormous balance chargeable to the liquor traffic represents only one year's waste. For many years, like burdens in proportion to the population, have been imposed upon the country. These facts make it easy to appreciate the truth and force of the statement made, in 1884, by Hon. Mr. Foster. Under a table prepared by him, showing the cost of liquor consumed in Canada from 1868 to 1892, inclusive, to have been \$473,200,000, he wrote:—

"One can scarcely grasp the awful significance of the above figures. The immense quantities of grain that have been wasted would have fed millions of people. The cost of liquors for one year exceeds the whole revenue of the Dominion of Canada. The cost per head has been fully twice as much as the total cost per head of all our customs dues since Confederation. The total amount spent in the fifteen years above tabulated aggregates, without counting interest, nearly \$500,000,000. This would have defrayed all our cost of government, built our railways and left us without a shadow of national debt. To all this we must add the incalculable cost of citizens slain, labor destroyed, pauperism borne and crime watched, restrained and punished. The wonder is, that, with such terrible waste, our country enjoys any prosperity. If this waste could be made to cease, Canada, in ten years would not know herself, so prosperous and wealthy would she have grown. Surely it is the part of all good citizens to see to it that such a frightful source of waste and destruction is dried up. Prohibition is the only effectual cure."

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