

offered, which in the majority of cases was not sufficient to pay three per cent on the money invested.

For a system of taxation to be successful, just and fair, it must

- (a)—Enable the local authority to raise revenue for its current expenditure expeditiously leaving as small a percentage of arrears at the end of the financial year as possible.
- (b)—Be based upon benefits received and ability to pay.
- (c)—Be distributed so that the cost of the maintenance of streets, sewers, etc., be charged against the property which is specially benefited and the cost of regulating, public health, education, police protection, etc., be assessed according to the ability of the resident to pay.
- (d)—Prevent an owner by the imposition of an unearned increment tax, from making an undue profit out of the enhanced value of his land created by the presence and expenditure of the people.

Adam Smith in his book on the Wealth of Nations lays down the principles:

"Private revenue of individuals arises from three different sources: Rent, Profit and Wages."

"The subjects of every state ought to contribute towards the support of the government as nearly as possible in proportion to their respective abilities, that is, in proportion to the revenue which they respectively enjoy under the protection of the state."

"Every tax, it must be observed once for all, which falls finally upon one only of the three sorts of revenue above mentioned, is necessarily unequal in so far as it does not affect the other two."

"The tax which each individual is bound to pay ought to be certain and not arbitrary."

"Every tax ought to be levied at the time or in the manner in which it is most likely to be convenient for the contributor to pay it."

"Every tax ought to be so contrived as both to take out and to keep out of the pockets of the people as little as possible over and above what it brings into the public treasury of the state."

Grice, the English economist in his "State and Local Taxation in Europe," sets out the general principles of taxation adopted on that Continent as follows:

"Local revenues must be raised first from prices and fees for services of the commune that have a direct benefit; second that there shall be taxation on certain forms of wealth that gain by the expenditure of the local revenue and then taxes on general wealth in accordance with ability to pay for the general good."

"When taxes are resorted to the rule given is: That taxes on land and building and trade are on principle of benefits received and on income as the measure of general ability. The law is that all kinds of expense incurred for special benefit shall be met by special payment and in proportion to benefit received and all other expenses by ability to pay. The ability to pay or income tax should cover such expenses as public safety and public health, primary education and poor relief and general administration expenses and the local management of such national service. It is claimed that irrigation, drainage, making and repair of roads, constructed mainly for agricultural purposes, or for the convenience and profit of industrial and manufacturing concerns should be met by benefit received and cases of mixed expenditure where special interest and general welfare meet should be met by taxes on real estate trade and income combined. This would include public roads, waterworks, fire brigades and street lighting."

The above are sound economic principles of taxation which have been tried out on the Continent of Europe and have proven just, fair, and equitable and should be the basis for a uniform system of local assessment and taxation throughout the Dominion of Canada.

CONVENTIONS GALORE.

Well may Winnipeg be termed the convention city. During June this gateway of the west had convention after convention. Following the convention of the Dominion Civic Improvement League, came that of the Canadian Manufacturers' Association. Next came that of the Retail Merchants' Association, then the convention of the National Council of Women, the Methodists convention and then the Conservative convention. Interwoven with these have been numerous conferences, with the result that the city has been continually full of visitors from all parts of the Dominion.

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