

## RAISING THE REVENUE.

The suggestions in last week's SPECTATOR under the heading "The Joys of Taxation" are worthy of thoughtful consideration. As our "collected wisdom" will be meeting shortly, and as the most ardent admirers of the N. P. must admit that it is within the bounds of possibility that Sir Leonard Tilley may not have his promised two million dollars increase of revenue when the cat is let out of the budget, it may not be inopportune to string together a few random thoughts inspired by the article above referred to.

Every one looks at the world from his own point of view. To one it has a poetical, to another a practical aspect; but as a rule personal interest determines its appearance. It is a curious phase which it must present to a Finance Minister. In all around him he sees only taxes, or what Dr. Johnson would have called "the potentialities of taxation." His business is to raise money for the State, and to do it in a manner most easy to himself and least offensive or burdensome to those from whom it is to be drawn. The whole social scheme lies bare to his view and is available for his purpose. He may take tithes of every product, and lay an embargo on "whatsoever seemeth good in his eyes." Finance Ministers ere now have taxed the light of heaven, the fountains of knowledge, and the efforts of the people in the direction of prudence, economy and self-help. Nothing has been sacred from their touch, and nothing has been allowed to stand in the way of a prospect of a good financial harvest.

By degrees, however, we have come to regard even this matter with increased enlightenment. It has been recognized not only that there are good and bad taxes, but that there are principles on which their quality depends. Those, for example, are bad taxes which press unduly on particular classes little able to bear them, or which restrict the development of trade or industry, or which have a demoralizing effect on the people, or influence maleficially the public health. The window tax was a bad tax; the salt tax a worse, if possible. The taxes on knowledge were a scandal to a nation, so was the fire duty, which put an impediment in the way of people guarding themselves against the consequences of calamity, and many other examples might be given from the financial schemes of the past. A "good" tax is more difficult to determine. On the whole, it is acknowledged that direct are better than indirect taxes, since, though they seem more burdensome, there is a greater power of keeping a check on them, and they are more economically collected; and when there is a choice of evils it is undoubtedly better to tax the luxuries than the necessaries of life.

For my present purpose it is not necessary to open the question of Protection, and with regard to an Income Tax, I may say that my observation leads me to the conclusion that it is not popularly regarded in England as "the fairest and least oppressive tax possible." I am inclined to believe that by universal consent—outside the Treasury—the income tax is regarded as the model bad tax. It combines in itself every unpleasant feature, it is unfair in its incidence, inquisitorial in its nature, weighs heaviest on the class of income least capable of sustaining it, invites to immorality, and is absurd, inasmuch as practically those who fix the amount of the tax fix also the amount on which it is to be levied, since appeals appear to mean that the Commissioners can persist in enforcing the amount of what they consider a man ought to be earning. When I add that this tax is in England a standing monument of political dishonesty, since it was agreed to in an emergency, on the distinct understanding that it should be repealed when the emergency was over, whereas it was still persisted in, I have indicated the strongest objections to be urged against it.

Was it not Lord Melbourne who said that an income tax was a "devilish good thing for a Chancellor of the Exchequer to get hold of," and this tax remains the favourite resource, doubtless because the means of collecting it are ready to hand, and it saves trouble to put on another million or two instead of troubling to devise new forms of taxation. For the same reason we have variations on the same old tunes in other taxes. Spirits, tobacco, and so on, are the sources relied on, and not only are the old politicians content to walk in the old ways, but derision only awaits those who trouble themselves with new devices.

Yet surely it might be possible to seek out among our luxuries objects to be taxed which would very little affect the general welfare. Ministers are, perhaps, deterred by the fear of obloquy. Mr. Lowe, for instance, brought an avalanche of abuse upon his head by the famous match tax, and a nation which for a century endured a tax on the light of heaven would not submit to a charge on the means of getting artificial light. Yet in the United States they have a match tax which is cheerfully paid, and yields a large annual revenue. The citizens there include it in the list of "good" taxes; and probably, had Mr. Lowe's proposal been adopted, it would have been found that it would hardly have affected the match-makers who were so alarmed, and it certainly would not have injured anybody else.

Apart from this, there are objects which seem to invite taxation. Like Mrs. Poyser's pig, they *want* killing. Photography comes under this head. In other countries it was early seen that photographs were not among the absolute

necessaries of life, and that people who gratified their vanity in them were quite capable of contributing a trifle to the national burdens. Here again the United States led the way, and the New Yorker does not grumble at a *carte-de-visite* stamp of three cents, which yields a good round sum annually. Why should we not have a similar stamp? Surely it is as reasonable as many of the things to which stamps are affixed, including receipts for money subscribed to charities. It would make very little difference in the price of portraits, and those who were able to afford them would not be deterred from purchase by consideration of a three-cent stamp.

Another suggestion which has been made before is a tax on the pianoforte. Hitherto it has wholly escaped; yet it is a luxury, and those who use it are capable of paying a reasonable yearly sum on it. I think professionals should be exempt from such a tax. Certainly it would be as reasonable to tax the household piano as it would the house-dog; and even if the tax had the effect of putting down a few instruments, especially in neighbourhoods where walls are thin, and people have to endure the playing of neighbours on *both sides*—each indulging in a distinct tune—well, it would not be a calamity wholly to be deplored.

Another suggestion has been made which, at least, shows ingenuity. Why not a tax on artificial teeth? The dentist's business is very profitable, and false teeth are generally worn. If every tooth paid its tax, the Finance Minister would find his coffers sensibly enriched. It may be urged that teeth are less a luxury than a necessity; at all events, they are a necessity which many people manage to do without, and those who indulge in them are for the most part in a position to contribute something to the revenue, if only as a thank-offering for the comfort they have secured.

Of course an outcry would be raised at first at any innovation; but your average man soon comes to regard taxes on anything he may possess with wonderful equanimity. He knows that he cannot live in a country which requires twenty-five millions of dollars per annum to manage its affairs and pay the interest on its debts, without contributing his quota to the revenue, and it does not matter much whether he contributes in meal or in malt, and he would rather pay on his hobby than on some necessary part of his yearly outlay.

There is one other article which occurs to me as likely to yield bountifully, but I hardly dare suggest it, and he would be a bold man who would advocate it in the House of Commons. The perambulator is in universal use, as we know to our cost, we who live in cities, and walk our streets, when the sidewalks are monopolized by baby-carriages. The income from perambulators would be large; but who would propose it, and what hope would there be of Parliament carrying it? Every legislator would have in mind, in considering how he should vote, the chances of his next election, and would know to a dead certainty that every "free and independent" elector would receive from the home department the injunction, "Don't vote for Jones—he taxed poor dear baby's perambulator."

These are new suggestions, but financial ingenuity ought to be able to supplement them by others, and so to throw a little variety into the annual budget. It is not fair to ring the changes on certain interests and to let the others go scot free. Interests should be like land, and when good crops have been raised from any two or three of them, for some years they should be allowed to lie fallow while others get their turn. Greater fairness would thus be shown; but then this sort of thing requires ingenuity and resource, and ministers are not generally good in these respects—imitation and precedent are more in their way. It is easier to travel on the old road than to make a new one for yourself; it is safer also, and the two inducements combined are all-powerful in inducing Finance Ministers to walk in the old roads in submitting schemes for Raising the Revenue.

*Quevedo Redivivus.*

## A CANADIAN ACADEMY OF ART.

I was much pleased, and to some extent amused, at John Popham's criticism or attack on the "Canadian Academy of Arts,"—pleased, because it is the only intelligent notice of the subject that has yet appeared. The newspapers of the country having been satisfied to discharge their duty either with fulsome and ignorant eulogy—weak, if well-meant expressions of goodwill, or a simple notification to their readers of the formation of an institution the nature, aims, and prospects of which being beyond the knowledge of ordinary newspaper writers—they very wisely forbore to comment upon. Amused, because he writes with an animus so thinly disguised, that in spite of his desire to treat the matter dispassionately and fairly, it is still quite apparent.

I have no desire to say anything unkind, but it would not be difficult, while giving him credit for the cleverness of the paragraph, to answer in many ways his statement as to the relative value, as a public educator, of a National Gallery at Ottawa or Montreal. I need simply remind him of the enormous difference in the population of the two cities to prove that Montreal would gain the most. I cannot admit that he is as correct as he should be as to facts in reverting to the formation of the several kindred institutions in other countries; but that can pass, for in the main he is fairly informed. He says:

"The number of those who, in Canada, really appreciate art of a