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PROPOSED DOUBLE TAXATION.

One of the Toronto members in the local Legislature has introduced a bill to make assessable at par value all personal property, consisting of mortgages, bank stocks, bonds, railway shares, and other similar stocks now assessable on their dividend. We have not the least idea that this bill will find favor with the Legislature; and we should not now refer to it did not some of the interests threatened feel a degree of alarm which we believe to be entirely unnecessary. It would probably be a waste of time to point out to the father of this bill that, since the income derived from these securities is now taxable, there is nothing else to tax unless we are prepared to diminish the capital, by confiscating a part of it. A great error was committed when the assessment was made on the capital value of real estate, instead of the rent—unless where the property is unproductive—because it has been the father of all sorts of crude notions about taxing in other directions.

Take mortgages first, and see how the facts stand. Both mortgagor and mortgagee have an interest in the land mortgaged, and they agree in the very instrument which embodies the transaction between borrower and lender, that one of them shall pay the taxes. That one is the mortgagor. Why should the Legislature interfere with these contracts? We apprehend it has no power to annul existing contracts, in this particular. A has undertaken to do a certain thing, in a legal instrument, and Mr. Bell desires the Legislature to step in and say that B shall help him to do it. This with respect to existing mortgages. With regard to the future, why not leave mortgagors and mortgagees to make their own bargains, as heretofore? Why interfere with the freedom of contract? The proposal to assess stocks at their par value, when the income derived from them is already taxed, is an attempt to impose a double taxation, on this species of property, which would have the effect of partial con-

fiscation, by diminishing the capital. The Legislature may, we think, be relied on to reject a proposal so manifestly unjust. As to taxing incomes payable out of Dominion revenue, it has been judicially decided that the local legislatures have no power to do so, and we may be sure the Dominion authorities will not consent to their getting such power.

At a conference between citizens and the Legislative Committee of the city council, Mr. Blaikie said the effect of the bill would be to remove all the money on deposit in the Building Societies and Banks. Deposits may, for this purpose, be divided into two parts: the part which the banks loan, and the margin which they retain to meet the demands of depositors. The latter part is dead capital, earning nothing; it is retained in the banks merely for safe keeping. The former part, the part which the banks find it prudent to loan, helps to earn the dividend, and is taxable in the form of the recipient's income. Why should there be a second tax on the same thing, in another form? No reason that will bear a moment's examination can be given.

Mr. Herbert Mason remarked that such a tax, if imposed, would fall at last upon the borrowers, and not upon the companies—which, we may infer, would compel their borrowers to pay it indirectly.

Mr. Walter Lee pointed out that the provision inserted in the Assessment Act last session, for assessing the income of banking and loan societies was expected to be final. And so it ought to be. But the desire to prevent this being final, it is proper to say, is not all on one side. Some of the speakers at the conference, for what reason it is difficult to say, raised the question of throwing all taxes on real estate, to be supplemented by a business tax, if necessary. We doubt the judiciousness of such a move. There are so many owners of real estate in Toronto who would oppose such an enactment, that it has no chance of being carried out; and every time the question is stirred, it enables people who share Mr. Bell's notions to propose something very extravagant and very unreasonable, in the opposite direction. The case is one in which the sleeping dog, if aroused, may bite. Let him lie.

ALLEGED EXODUS AT PORT HURON.

So much attention having been excited by the alleged exodus of Canadians at Port Huron, as well in the United States and England, as in Canada, the Government have caused an investigation into the facts to be made; the result of which is now before us in a report from Mr. Lowe, the Secretary of

the Department of Agriculture. The accuracy of the figures of the Port Huron Custom House is not only questioned, but pronounced to be a fabrication of such a nature as to establish its impossibility.

The facts of the case seem to lie on the surface with sufficient plainness. There are three possible modes by which emigrants can leave Canada at the point of Port Huron: the first, the Grand Trunk Railway crossing at Point Edward; the second, the branch of the Great Western at Sarnia; and the third the Sarnia Ferry. If we have the fact of the numbers of passengers both ways by these various channels, the question does not seem to be one very difficult to deal with. And this is a method which appears to have been relied on in the report before us.

The following figures show the claim of the United States authorities for the fiscal year ended June 30, 1880 at Port Huron:

Total alleged immigration	94,375
Proportion of do. from Canada	75,059

This is met—first—by the following statement of the total number of passengers carried by the Grand Trunk Railway both West and East at the point named, within the year:

Total number of passengers from all points of Europe, the Eastern States and Canada to all western points, including Manitoba	53,627
Total from West to East at same point..	45,676

Difference	7,951
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But while the total traffic is thus stated, what we have really to do with for the purpose of this argument, is the following statement of total travel by persons who have bought their tickets in Canada to points in the West, and from points in the West to Canada, within the time named:

Total passengers from Canada to all points West, including Manitoba	30,626
Total passengers from Western States to Canada	24,739

Difference	5,887
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This difference of 5,587 represents the total emigration from Canada by the Grand Trunk; although it may not happen that the persons who go and return are the same. The Grand Trunk, moreover, is the main channel of travel between the east and the west at this point, and the figures given represent all travellers—those for pleasure, those for business, and the Canadians going to Manitoba and the North-West via Chicago and St. Paul.

We next come to the Sarnia branch of the Great Western, by which there is comparatively little travel at this point. The following are the figures for the year named:

Total passengers from Canada to Western States	1,719
Total from Western States to Canada....	1,262

Difference.....	457
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