

their papers with some degree of comfort and without danger of injury to eyesight. On one point all classes of citizens are no doubt agreed. If any compulsion is necessary, which it is to be hoped is not the case, public opinion should compel the Company to make prompt provision for sheltering the motor-men during the winter months. This involves no unsolved problem. In Ottawa, we are told, provision is already made, by means of vestibuled cars, for protecting these men from the inclemency of the weather, and similar provision is about being made in Montreal. Let not Toronto be behind in caring for the comfort of the men who render her citizens such faithful service, at all hours, and under all conditions of wind and weather. There is no time to lose, and if it appears that the Company does not intend to provide protection this winter, the citizens ought to take the matter up without delay.

It is now said that the Street Railway Company is profited to the amount of two hundred dollars per day by the use of the transfer ticket which has been adopted. The statement is almost incredible, but if it has even a moiety of truth the change has been made none too soon. The World, in which we find the rumour, hopes that it is true! Of course we shall all be glad to see the Company prospering and to know it is receiving its due. But did the World stop to think of the moral meaning of the fact, if it be such? Would it not be rather appalling to have it thus practically demonstrated that more than four thousand persons could be found in Toronto every day, on an average, dishonest enough and mean enough to tell downright falsehoods at the rate of four or five cents each? If such is the case, the Street-car Company is responsible for having put a temptation in the way of weak citizens which must have had a very demoralizing effect, for it is not easy to see how anyone can regain his self-respect after having stooped so low for so small an inducement. It is sad to think that the majority of those who thus degraded themselves were probably children or young persons, who were thus undergoing a training for dishonorable lives in the future.

Now that we are in the moralizing mood, let us add that too many of those who have to do with the young in other matters are not sufficiently mindful of the effect of such small lapses from strict rectitude in the formation of character. We are reminded of a practice common in many schools, which is, we are persuaded, productive of much harm in this respect. We refer to what is called the self-reporting system, under which the children are called on from time to time to state for the information of the teacher how many errors they have made in their exercises, or how many times they have violated certain rules of the school, the records of standing being made

up from the answers. With the child whose conscience has been carefully trained, the plan may work well, strengthening the habit of truthfulness and the power to resist temptation. But can any one who knows aught of children as they are, doubt that those who can be trusted to report truthfully will be in the minority. That the average child of the many who are not blessed with careful moral training at home will keep silence or prevaricate under such temptation who can doubt? But if we suppose only a few to fail to come up with the high standard of moral courage and truthfulness required, it is obvious that the result will be not only the moral hardening of that few, thus daily strengthening the habit of dishonesty, but a sense of injustice and consequently an increased strength of temptation for their more truthful companions. Of course the traditional but mistaken notion of school-boy honour will not permit them to "peach." We do not know how common the practice referred to is, but it is probably widespread. If any parent or teacher is inclined to question either its existence or its injurious effects, we invite them to inquire carefully into the facts, for nothing which injuriously affects the formation of character in the young is of trifling importance.

If the latest reports touching the proceedings of the Ways and Means Committee at Washington can be relied on, Congress will shortly be asked to sanction an experiment in direct taxation on a magnificent scale. The rumoured proposal is that a revenue estimated at \$50,000,000 be raised by the imposition of an income tax, and that all incomes of less than \$3,500 or \$4,000 per annum be exempted from the operation of this tax. Theoretically, direct taxation is the simplest and most logical of all methods of raising a revenue, and the income tax is probably the fairest of all methods of direct taxation. The main question is that of the difficulty in educating a people so long accustomed to indirect taxation by high tariffs, to accept the simpler and fairer method. If they could but be induced to give the experiment dispassionate consideration and a fair trial, they would probably soon learn to appreciate it. That is to say, all would approve it except those classes, far too numerous, who have become accustomed to a system the very opposite—a system under which they are aided by the Government in levying taxes for their own benefit upon the people, especially upon those classes whom it is now proposed to exempt from the demands of the tax-gatherer. The direct method of raising revenue has two or three special advantages which should recommend it to all thoughtful citizens, and which so quick-sighted a people as those of the United States should be among the first to recognize. One great recommendation is that its simplicity and directness would enable

the Government to effect a vast saving in the cost of collection, as compared with that of the cumbrous tariff-system. The army of collectors could be reduced one-half or two-thirds. In the second place, all the money levied would go directly into the public revenue, while, as is well known, under the protective system, the larger share of the increased prices paid by consumers goes into the pockets of those in whose interests the tax is imposed. And in the third place the people, who are too ready to wink at Governmental extravagance and waste so long as they fail to realize that the money so lavished comes out of the products of their own hard labors, would be sure to insist on rigid economy when they realized that it was their money, the proceeds of their toil, which were being thus expended.

That it will be possible to introduce such a method of taxation at once in the United States, under present conditions, or to make it successful in operation if introduced, is hard to believe. The difficulties, apart from those at which we have already hinted, will be serious. It is, indeed, open to serious question whether so large exemptions as those proposed would not be unsound in principle and injurious in practice. We do not attach much importance to the objections so strongly urged by some, arising from the supposed effect upon capital. The United States are too rich, and offer too many inducements for the employment of wealth, to leave much room for fear of driving away capital by any reasonable taxation of it. But, while it is obviously sensible and right that the bulk of legislation should be levied upon those who are best able to pay it, it is no less obvious that serious evil might arise from levying the national income wholly upon the wealthy. The outcome of such a course would almost inevitably be increased recklessness in expenditure, for the masses, not being called upon to contribute, would be without the first and strongest motive for insisting on economy in administration. There would be, indeed, a distinct temptation to approve of lavish expenditure on the ground that such expenditure would be taking the money from the wealthy and redistributing it among the people. The weight of argument could, we believe, be easily shown to be on the side of a graduated income tax with much fewer exceptions. Nor can it be denied that there are very serious practical difficulties in the way of carrying out any system of income taxation. The temptation to concealment and prevarication is perhaps the first and chief of these difficulties. There is, we suppose, no room for reasonable doubt that in municipal taxation great loss of revenue and great injustice arise from this source. We do not say that this difficulty is a valid argument against the system, but it is a stubborn fact which has to be looked fairly in the face.