

Railway Taxation

Hon. A. J. MATHESON, the Provincial Treasurer has announced that the municipal distribution of railway taxation under the new Act will for the last year be eight cents per head on the census population of 1901. From this will be deducted 10 cents per day for each non-paying patient in an asylum, sent by a municipality. The collection of taxation from steam railways amounted to \$375,689, as against \$191,990 the previous year under the old Act.

From this amount as provided by the statute, \$30,000 was deducted, presumably for the salaries and expenses of the railway commission, and one-half of the balance or \$172,844, set apart for municipal distribution, which amounts to the per capita sum mentioned.

The "Farmers Sun" says: "The checks which Ontario municipalities are now receiving as their share of Provincial railway taxation are all right as far as they go, but they do not go far enough. If railway property was taxed on the same basis of value as farm lands the amount of the checks now being distributed could be multiplied by three."

In the matter of railway taxation there is but one course open to the Government that is consistent with straightforward dealing. By their vote in favor of the principle of the Pettypiece Bill nearly three years ago Mr. WHITNEY and his followers gave a pledge to the people of Ontario. That pledge can be made good only by a measure that will tax railway property on the same basis of value as farm property is taxed now. At present railway property bears not over one-third the taxation that farm property of the same value is bearing. The farmers of Ontario expect Mr. WHITNEY to make good his pledge and to provide, this session, for the equalization of the burden.

Mr. PETTYPIECE, editor of the *Forest Free Press* who introduced the question of railway taxation in the legislature, refers to the present rate of railway taxation in a recent issue as follows:

The new Act is merely an increase of tax per mile under the old Act, which the present Government and all its followers condemned, when they pretended to favor the Pettypiece Bill, (after the speaker's ruling had put it out of order), and which they since could have adopted had they been honest in their vote in 1904. This Bill would have produced a revenue of over \$3,000,000 per year, (ten times the amount now collected) without imposing any higher taxes on railway property than is now imposed on other property. Or the adoption of the report of the Railway Taxation Commission would have yielded over \$1,500,000. Instead of either of these, the very men who professed that they favored a \$3,000,000 tax, now that they are in power, are satisfied with the mere pittance of one-tenth that amount. Why corporations that make 26 cents profit on every dollar of earning should not pay taxes is an interesting question with the masses. The most striking feature in connection with the whole matter is the complacent manner in which Premier WHITNEY, the members of his Cabinet, and the great majority of his followers in the House have repudiated their former actions on this most important question.

Taxing the Franchises.

Wisconsin is a lucky state. It has no tax on the people, the business of the people or the land. All the expenses of State Government are paid by the great corporations, which are made to contribute liberally for the favors they enjoy. It is pointed out that the approach to this condition was very gradual. The idea was advanced some years before it took effect. LA FOLLETTE, who was afterwards Governor, made the taxation of the corporations his war cry in several elections and suffered defeat. His political philosophy was not understood and not appreciated.

Eventually it dawned on the people that the railway, telegraph and telephone companies should be made to pay for the privileges they possessed, and in 1902 the proposition took legislative form and legal enactment. The result was, from one Act, a revenue of nearly \$2,000,000. This was followed in 1906 by an Act which collected from the sleeping car companies, insurance companies, express companies, as well as the railway companies, over three and a quarter millions. These moneys, added to those originally paid for indirect services, for maintenance of national troops, etc., raised the total to over four and a half millions, and with the accounts all paid, and the aforesaid state tax eliminated, there was a surplus of a million and a half.

Such is the success of the Wisconsin movement that the other states are following her example. New York last year collected from the great corporations \$7,300,000 in taxes, under the special franchise law which was passed in 1899. This tax is not taken and applied by the state, but by the cities, towns and counties in which the assessments are made. Ontario and its Legislature may get some valuable information from the records of Michigan, Wisconsin and New York.

RECOUNT IMPOSSIBLE

That deputy-returning officers do not always appreciate the responsibilities of their position is shown in the proceedings for a recount of ballots at Sarnia. The statute is explicit as to their duties after the close of the poll, and the deputies had been supplied with a copy of the law and all requirements. Yet on examination of the contents of the boxes, in only four cases out of the thirteen had the law been complied with. In two cases the whole of the papers were flung in a heap in a most disgraceful condition.

When the Judge found the condition in which matters were he refused to make the recount, as he is by the act unable to call evidence and can only decide on the papers produced. As the act had not been complied with, only four sets of papers having been sealed and the other nine unsealed and mixed up with by-law ballots, municipal ballots, ballots used and ballots rejected; he very properly refused to make the recount. When the provisions of the statutes have been followed the ballot papers come before the County Judge carrying their own authentication as being those which were sealed up at the close of the poll, as it is provided that any endorsement appearing on any package of ballot papers produced by the clerk shall be evidence of such papers being what they are stated to be by the endorsement. Without this the Judge cannot know that the unsealed and unsecured ballots are the same and in the same state and condition as when deposited by the voters, as no means are given upon the recount by which he can take evidence to show with what other or equivalent care and custody the ballots have been protected. The plain provisions of the statute having been disregarded, the Judge could not possibly have made the recount.

The Kent county council will petition for legislation to make the employment of chartered accountants as auditors compulsory in all municipalities.

The Provincial Inspector, in his report on the Kent House of Refuge, recommended that the council make the maintenance of that institution payable from the whole county instead of from the various municipalities.