

## THE BUSINESS TAX.



ANOTHER step in the progressive march towards a proper system of municipal taxation has been taken in Toronto. The credit is due to its broadminded and thoroughly posted wholesale merchants. The Ontario Legislature is now in session and Mr. Waters, M.L.A. has introduced a Bill to amend the assessment act. He proposes that personal property shall, for the purposes of assessment and the levying of rates

thereon, include (among other property specified in previous clauses) the net income of merchants, traders and manufacturers.

In brief, Mr. Waters proposes that if a man has \$100,000 to invest, it shall be taxed no more if he invest it in mercantile pursuits than if he invested it in mortgages, stock, etc. Under the present law if he invest this amount in stocks, he is taxed on income only, or say \$6,000; but if he invest it in business, he will be taxed on the whole amount. The injustice of this will be seen on its face, when one man has to pay 16 times as much taxes for investing his money in one business as another would for investing the same amount in stocks. This example indicates in a simple way, the great burden which our merchants are forced to carry, and many of them carry it without knowing that they are doing so; but some of them have awoke to the fact that they are being imposed upon by an iniquitous system.

On the evening of Monday the 9th inst., a few of the members of the Board of Trade met and discussed this bill and after a long discussion it was approved of by passing the following resolution which was proposed by Mr. Paul Campbell of John Macdonald & Co. The vote was 23 to 18 in favor of the resolution.

"Whereas, all taxation in a free and civilized country should be levied equally and uniformly upon all property of the same kind, and, whereas, in the province of Ontario realty is taxed on this principle, and personalty is not, the capital employed in commerce and manufacture being taxed on its face value instead of on the income or profit derived from investment, as all other capital is taxed, such as investments in bank stocks, railway and building societies, stocks, mortgages and money otherwise loaned, and, whereas, in Great Britain, France, Quebec and other countries the governments seek to relieve capital invested in commerce and manufacture from taxation, as being the capital which conduces most to the advancement and progress of a country, and which employs labor, populates and builds it up, and whereas Mr. Waters has a bill before the Ontario legislature to amend the inequality of personalty taxation and to tax all capital on the net income derived therefrom, therefore, be it resolved that this Board of Trade of the city of Toronto assembled, hereby accord their hearty approval of the said bill, so far as it refers to the personalty of merchants, traders and manufacturers, and ask the Parliament and Government of Ontario to approve of the principle laid down in the bill, that all property of the same kind should be taxed equally and uniformly to all classes of citizens alike, and this board prays that the bill in this respect may become law."

Mr. Campbell supported his resolution in a strong speech, showing that Ontario had made a great mistake in taking the

United States as a model, instead of Great Britain or France, where the laws were based upon much truer principles. He showed that the capital of the merchant and the manufacturer was the only capital taxed on its face value, and that this was hurtful to realty, to the encouragement of mercantile enterprise, and to the development of the country.

Mr. Stapleton Caldecott seconded the resolution, and advanced some telling arguments in favor of a more just system of assessment.

The resolution was also strongly supported by Mr. Cockshutt, Warring Kennedy, G. H. Bertram, Hugh Blain and others, and was strongly opposed by Mr. Jaffray, who claimed that they were trying to throw too much of a burden on improved real estate.

Toronto dry goods merchants are to be congratulated on their success in having the bill endorsed by so influential a body as the Board of Trade, and their fellow merchants throughout the Dominion, who are fighting nobly for the same phase of justice and for a proper system of taxation, will take heart from their victory. Montreal, Halifax, Winnipeg and other cities have similar grievances, and it is to be hoped that true ideas on this intricate subject will soon be more generally disseminated among our legislators.

## TORONTO'S SHOP FRONTS.

IT IS said that the City of Toronto has as great an extent of shop fronts as the cities of Buffalo, Detroit and Rochester combined. Toronto is said to have 27 miles of shop fronts, while Buffalo has only 13 miles. Circumstances are at work in Toronto which will probably transform the character of some of the principal thoroughfares, such as King and Yonge streets. On these streets there are a large number of small shops which it is believed will before many years revert to residence purposes. Two principal causes are at work tending to bring about this change. One is the introduction of rapid electric street railway transit, by means of which residents in the outlying districts of the city can be transported to the business centre within an interval of a few minutes. These facilities for dealing at the larger down town establishments is likely to be taken advantage of to the detriment of the smaller business concerns on the less important thoroughfares. The second cause is the recent development of a few large establishments where goods of almost every class are sold under one roof. These concerns will certainly wipe out of existence a very large number of the smaller stores. It is estimated that one such establishment already in existence in Toronto is doing the trade which formerly was divided amongst 500 small stores. These changes most seriously affect the value of a large amount of property now used for business purposes. —Canadian Architect.

Comptroller Wallace is rapidly disposing of a number of knotty questions which have been referred to the customs department from outside ports. Among his latest rulings are the following: Cardigan jackets are properly dutiable under item 125 at 10 cts. a pound and 20 per cent. The fact that such jackets have but tonholes worked in them and that the edges are bound does not take them out of the category of "knitted goods." Frillings and edgings, whether of cotton, silk or other material, are ruled to be dutiable at 30 per cent. under item 197, though the edges may be either bound or stitched.