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No Uniformity in Taxation Views

Manitoba Commission Receives Conflicting Evidence—Some Maintain Burden on Land is Too High—Others Say That Heavy Land Taxation Will Prevent Speculative Boom—Income Tax is Generally Favored

PROBABLY the only definite conclusion that could be reached from the evidence so far received before the Manitoba Taxation Commission is that the income tax is generally agreed as being an equitable and efficient method of raising public funds. It is merely a question as to how the tax should be levied and to what extent it should supplant other taxes.

The Manitoba Taxation and Assessment Commission was appointed in pursuance to a resolution passed by the Manitoba Legislature at its last session affirming the expediency of an inquiry being made as to the most equitable method of levying taxation throughout the province to meet public requirements. Acting on this resolution the lieutenant-governor appointed a committee of the executive council to take up the subject and the committee reported in favor of such a commission being appointed. This report was approved by the lieutenant-governor on July 26th, 1918, and the commission was appointed. It was constituted of the following members, representing the organizations named:—

The legislature—Hon. Edward Brown, provincial treasurer, and J. W. Breakey, M.P.P., member for Souris; the government—E. M. Wood, deputy municipal commissioner, and L. W. Donley, assessment commissioner, city of Winnipeg; the grain growers—Peter Wright, and W. R. Wood, M.P.P.; Union of Municipalities—D. D. McDonald, Robert Forke; City of Winnipeg—Aldermen Frank Fowler and H. Pulford; Board of Trade—W. J. Christie, J. H. Parkhill; Labor Party—E. Robinson; Winnipeg Real Estate Exchange—W. H. Gardner; Retail Merchants Association—J. H. Curle; Suburban Municipalities—Reeve J. Fielde, (of municipality of Fort Garry); Local Branch of Canadian Manufacturers' Association—N. M. Warren. Mr. E. M. Wood was appointed chairman.

Purposes of the Commission

The objects of the commission were specified as follows:—

- (1) The operation of the laws now in force relating to the assessment of different classes of property for the purposes of municipal taxation in the province of Manitoba.
- (2) The present method in force in the province respecting the preparation of municipal assessments with the view of improving the same and to secure, if possible, greater uniformity in this respect.
- (3) The most equitable manner of equalizing municipal assessments throughout the province to meet the annual statutory levies required to be made by the municipal commissioner.
- (4) The advantage or disadvantage of rating land values only instead of the value of lands and buildings, and extent to which and with what results, as far as can be ascertained, the rating of land values only has been adopted elsewhere.
- (5) The advisability and justness of taxing incomes in addition to or substitution for other methods of taxation now in force in the province.

(6) The most equitable method of assessing stocks and other property of mercantile firms or corporations.

(7) The most equitable mode of assessing companies operating public utilities under any statutes in force in the province of Manitoba or under agreements with municipal corporations, such as companies who supply water, light, heat and power to the municipalities and the inhabitants thereof, telegraph and telephone companies and companies operating electric street railways.

(8) Improvements in the assessment laws of the province suggested by recent legislation in other countries.

(9) The statutory exemptions from taxation now in force and as to what, if any, changes it is desirable should be made therein.

(10) The re-arrangement, revision, amendment and consolidation of the provisions of "The Assessment Act" and all amendments thereto.

(11) Generally to inquire, hear and consider and report upon any other matters connected with the assessment and taxation of property within the province which may be brought to the attention of the commission, or which might appear to such commission to be proper subjects for consideration.

The commission commenced to receive evidence three weeks ago, the more important statements being reported in *The Monetary Times* of March 14th. Prof. A. B. Clark, one of the members of the commission, has been making an investigation into the taxation systems of the other three western provinces, and has already reported on taxation in Alberta and British Columbia. On March 14th the commission adjourned indefinitely. It will shortly resume its sittings, however, and after obtaining further information in Winnipeg will visit the other sections of the province of Manitoba for the purpose of giving full opportunity to the people to present their respective views on the subject.

Retail Merchants' Views

The Winnipeg branch of the Retail Merchants' Association of Canada, Inc., appeared before the Manitoba tax commission at the court house on March 11th. On behalf of the tax committee of the Winnipeg branch, S. W. Melsted, manager of the J. A. Banfield furniture store, presented their views. He reviewed the history of the business tax as imposed in Winnipeg from 1893 up to the present time. He said the tax on rental values was introduced in 1893 to take the place of the old personal property assessment. Up until 1907 the tax had as one of its features floor space running from three cents to seven and one-half cents per square foot according to the relation existing as between the size of the premises and the rental value of the premises. In 1907 a straight charge of eight and one-half per cent. of the rental value of the premises was enforced and the space feature discarded. In 1908 the former system was again introduced. In the same year the city was given power to appoint a taxation commission. Meetings were called and many appeared before them to give evidence, but Mr. Melsted