

The outstanding feature is the Real Property Tax. No matter what other deposits, sedimentary or volcanic, have occurred, the mass of the Real Property Tax has continued its accretion in full proportion to all the rest together.

Customs and Excise Duties have been the steadiest of the taxes but their proportionate contribution has been more than cut in half.

Taxes showing the most rapid rate of increase in the last 9 years have been direct taxes on special classes of the public, the automobile users and liquor consumers. Yields of these taxes were multiplied $4\frac{1}{2}$ times in the period. More money was raised from automobile users in 1930-31 than from all Customs Duties in 1904-5.

In general, it is notable that Canadian taxation, from being predominantly indirect has become predominantly direct. In 1913-14 over one-half of the taxes were levied indirectly and in 1930-31 only one-third. Of the total increase in taxes between these periods of some \$460,000,000, no less than \$360,000,000 was in direct taxes.

This is due not only to the great increase in taxation by Provinces and Municipalities, which are restricted by the constitution to direct taxation, but to the serious incursion of the

Dominion into the field of direct taxation during the war.

Questions innumerable are raised by all these facts.

Is the distribution of taxation fair among the different classes of taxpayers? If not, which taxes are most onerous?

Taxation by the Provinces has increased by 1,059 per cent since 1913-14, as against less than 200 per cent increase by Dominion and Municipalities. What wider services have been thrust upon, or have been assumed by Provinces?

What is the relative importance of the services expected of Provinces and Municipalities, on the one hand, and of the Dominion on the other?

Can the former be discharged without distress out of the tax resources fixed by the constitution, which, moreover, the Dominion is free to draw upon?

Is the distribution of necessary services fair as between governments? If not, must services be redistributed or must fields of taxation, or both?

How total taxes have been divided among the governments and what increases have been made by each, will appear in the following table:

TOTAL TAXES BY CLASS OF GOVERNMENT

(From compilations of Citizens' Research Institute)

	Dominion	Provinces	Municipalities	Total
1904-05 -----	\$ 54,024,044	\$ 3,248,169	\$ 35,819,148	\$ 93,091,361
1913-14 -----	127,478,067	10,485,538	100,072,880	238,036,485
1921-22 -----	319,926,012	54,092,495	206,833,211	580,851,718
1929-30 -----	378,551,626	126,147,195	268,270,824	772,969,645
1930-31 -----	296,276,395	121,577,855	281,190,089	699,044,339