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## New Legislation of Farmer-Labor Coalition

Two Hundred and Sixty Bills Were Considered in Twelve Weeks' Session—New Acts Characterized by Moderation—Labor Legislation Finds Precedents in Other Provinces—Economy Was Platform of Farmer Party, but Estimates are Increased and New Taxes Imposed

ONTARIO has been the first province of Canada to be governed by a farmer-labor coalition. The session completed on May 28 was in fact the first occasion on which either of these parties had an opportunity to play a leading part in Canadian politics. The bringing in of no really drastic legislation and the willingness to compromise on objectionable features put Premier Drury and his Cabinet over the rough places. Coming from a movement which has cried for economy and for legislation against what they have called the "interests" the legislation passed at the recent session cannot be defined as having gone as far as some would have hoped and others would have feared. However, it is not in legislation that a government practices economy and the province has still to wait to see if the government can carry on its policy with the rigorous expenditure cutting promised.

There has been no cutting down of the estimates. There have been measures to increase the revenue considerably. The next budget will tell the story of the success of the farmer-labor legislators. During this session it has carried on in much the same manner as previous party administrations. Financially the government has added a few burdens. Hon. Peter Smith, provincial treasurer, in his estimates for the year figures out an expenditure of \$17,941,557.15. Besides this the two great commissions, the Hydro and T. and N.O., will spend according to estimates \$17,257,000 and \$18,314,772 respectively. Such according to estimated figures is the burden of the province for the year. The commissions, of course, are responsible how they spend their money and Hon. Mr. Smith has little to do with it.

### Much New Taxation Imposed

Besides the ordinary sources of revenue Hon. Mr. Smith has made some amendments increasing taxation and put on some new ones. The greatest feature of his budget was the placing of bigger tax on race tracks. The original amount set out was \$10,000 on mile tracks and \$5,000 on half mile track. Here the government compromised with the result that the tax was reduced to \$7,500 on mile tracks and \$2,500 on half mile tracks. From that source the provincial treasurer hopes to get \$800,000 revenue and \$150,000 from the amusement tax at race courses.

An amendment to the corporation tax act increases the tax on banks 100 per cent. The tax was previously \$1,500 on each head office and \$50 on each branch. Insurance companies are also taxed differently according to amendments to the act. Hereafter there will be a tax of 1¼ per cent on the gross premium income on life insurance and one per cent. on other lines of insurance. There is no tax on dividends to policyholders.

There is also an increase on stock transfer stamps. Formerly the stamp was two cents on share at par value. This is now increased to three cents. The amusement tax was widened to include cabarets, etc.

### Heavier Succession Duties

Heavy increases were made in the succession duty levies. These range from 15 to 60 per cent. The extreme rate is on estates that pass on to distant relatives or persons no relation to the deceased. Only small increases are made where the estate is small. Where the estate exceeds \$25,000 and does not exceed \$50,000 and goes to wife, husband, children, parents the tax remains at one per cent. On estates from \$50,000 up to \$150,000 the old rates are increased one-half of one per cent. Thence the tax increase one-half per cent. with each additional \$100,000. Ten per cent. is collected on estates of over \$1,000,000. In each case if it goes to one person the tax is heavier or if it passes to a non-relative. It is believed that the new rate will almost double the income from these taxes. It will not show much on the current year as estates have 18 months in which to pay.

These are practically all the measures passed to increase the revenue. By more careful handling the government hopes to increase the revenue from the Forests and Lands Department and the Mines Department which by act at this session was separated from the Lands. A Royal Commission is at work investigating forests and lands now and an inquiry will be made into the mines department. From the report on these the government hopes to get more return to the people from the natural resources of the north country. The intention is to arrange this so that the money coming out of it to the province will in no way hinder development by the timber men and the miners.

### Additional Expenditure

As to increasing expenditure two acts were put on the statute books which at a general glance will cost the province money. One is the superannuation bill passed despite opposition from the United Farmers of Ontario, the parent body of the present government. The civil servants will pay into the superannuation fund half of the total but there are 110 servants ready for immediate superannuation for whom the province must provide the full superannuation. The government considers many of these still capable of service. Others will not be replaced. So the general cost will not be much.

Another bill which adds to the general cost will be mothers' pensions. There is an estimate for \$250,000 for this purpose which will probably be enough for the first year. This bill provides pensions for widows with two or more children and also for wives whose husbands are in the hospitals for the insane. The municipalities pay part of the pensions.

This act was the product of the Labor party, which during the session has been more moderate than was expected it would be. The legislation brought in by them is not new to the Dominion, every act being brought having a