

MUNICIPAL TAXATION AND PROHIBITION.

We hear frequently the assertion that if, by any means, prohibition should become the law of the Dominion of Canada, there would be serious difficulty experienced by municipal councils in meeting the deficit in their annual income that would be caused by the withdrawal of the present revenue from license fees. In order that the electors may fully understand this matter, there are here placed before them a few facts in relation to the present revenue and its probable diminution under prohibition.

The total amount received in license fees, etc., from the liquor traffic, by all the cities, towns, villages, townships, and other municipalities of the Dominion of Canada, for the year 1890-1, was estimated by the Royal Commission on the Liquor Traffic to be \$429,107, the number of licenses being 7,654. The data from which this estimate was made were somewhat defective, full returns not having been received from the provinces of British Columbia and Quebec. A safe estimate will be that 8,000 licenses are issued, and that the revenue derived therefrom by the different municipalities is about \$500,000.

The same report estimates that the amount of money annually paid for liquor in Canada is \$39,879,854. Assuming that the licensed places are open for only 310 days in the year, this would amount to an average of a little over \$15 per day for each licensed place. In some places the business done is much larger than this, and in others probably less.

Out of this large sum of money received by the liquor sellers from the people of Canada, there was paid into the municipal treasuries only the comparatively small amount of \$500,000. So far as the municipal revenues are concerned, it is as if the municipal councils, representing the people of Canada, had employed the liquor sellers to secure for them the revenue of \$500,000, authorizing them to collect a much larger amount and retain the balance for their own benefit; so that the account stands as follows:—

Amount collected by the liquor sellers.....	\$39,879,854
Paid over to municipal treasuries	500,000
Cost of collecting.....	\$39,379,854

The folly of the policy of paying \$398 for the sake of securing a revenue of \$5 is too patent to need comment. Would not a people richer by \$39,879,854 be able to pay the extra \$500,000 and still be vastly better off?

It must be remembered that the liquor traffic pays none of the revenue out of its own resources. It creates no wealth. It simply takes the taxpayers' money and hands it over to the municipality, taking from the people, as has been shown, about *eighty times* as much as it turns over to the municipal treasury.

If the enormous amount of wealth thus absorbed by the liquor business remained in the hands of the taxpayers of the community, a great deal of it would, no doubt, be found in the shape of taxable property, and there would thus be speedily added to the aggregate assessment an amount that would furnish the whole revenue now derived from the liquor system, by a taxation rate less than the maximum authorized by law. This result, it must be noticed, would be attained, even if there was no material progress in the community as the result of the more temperate and industrial habits that would inevitably follow the abolition of the drink system.

If we closed up all our liquor shops to-day we would have in one year a community so much richer, that taxation on the addition to our wealth would more than make up for the lost municipal revenue.

The choice between prohibition and license is, to the people of Canada, a choice between paying annually in hard cash over \$39,000,000 or only paying a moderate tax-rate upon property of that value, and keeping the property still in possession, earning probably four times the amount paid in taxes.

A careful examination has been made of the accounts of many municipalities, and almost invariably the following has been found to be the actual state of affairs: If the local pauper and police expenses

be added to the municipality's proportion of county criminal and indigent expenses, the sum will be more than double the revenue received by the municipality from the liquor licenses issued. If it be assumed that only one-half of the criminal and poor expenses are fairly chargeable to the liquor traffic it will still be seen that the municipalities are sustaining from the very start, in the license system, a very heavy loss. They would be losing, even if the revenue received from licenses were clear gain. As it is, they are paying an enormous sum for the questionable privilege of being sorely impoverished and heavily taxed.

It is sometimes argued that taking away the licenses from hotel property would diminish the value of such property, that its assessment would be reduced, and other property would have to be taxed at a higher rate to level up. A careful examination of a number of assessment rolls, and information given direct by a number of assessment commissioners and assessors, show that in no case is a license considered as enhancing the actual value of a piece of hotel property. Nor could it be fairly so considered. It is merely a temporary affair, must terminate in a few months, and consequently could have none of the qualifications of permanent worth entitling it to be treated as either having or imparting any assessable value.

Further careful examination shows that from hotels, on account of the comparatively small amount of personal property contained, are paid proportionally less taxes than are paid from any other equally valuable places of business. Still further, the contiguity of a tavern or a saloon generally depreciates the market value of real estate, specially of such as may be used for private residences. No respectable person wants to live beside a bar-room. The real state of the case is that a license to sell liquor is an injury to all property in its neighborhood. Less taxes are paid, insurance is higher and values are impaired.

The business instincts of the public, as well as the common sense of all thoughtful people, and the moral sentiment of those who have the best interests of their fellow-men at heart are fast coming to recognize the whole liquor system as **UTTERLY BAD.**

It ought to be abolished.

Important Opinions on the Revenue Question

If the liquor traffic is wrong, then revenue derived from it is repugnant to every principle of justice.—*Hon. John O'Donnell.*

I cannot consent as your Queen to take revenue from that which destroys the souls and bodies of my subjects.—*Queen of Madagascar.*

The deriving of vast sums for the revenue from the bitter sufferings and grinding pauperism of the people is a terrible offence.—*Canon Wilberforce.*

That Christian nations should make saloons toll-gates for revenue, and sanction crime-breeding to coin money for current expenses, is unspeakably sad.—*Albert C. Lawson, D.D.*

One of the reasons why labor organizations have failed in the past is because the leaders didn't have the manhood to denounce liquor as a curse.—*T. V. Powderly.*

Luxury, my lords, is to be taxed, but vice prohibited. Let the difficulty in the law be what it will, would you lay a tax upon a breach of the Ten Commandments? Government should not, for revenue, mortgage the morals and health of the people.—*Lord Chesterfield.*

If it were not for the saloons, do you know, I think that seven-tenths of the workingmen would have their own homes instead of paying rent. Rum is at the bottom of the whole trouble.—*P. M. Arthur, Chief of Brother. Loc. Eng.*

For Government to offer encouragement to ale-houses, is to act the part of a *felo de se*. Nor ought the public ever to be lulled into an acquiescence by the flattering bait of immediate gain, which ere long they would be obliged to pay back to paupers in relief with a heavy interest.—*Sir Frederick Eden.*