



CANADIAN REVENUE NEWSLETTER

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December 2018

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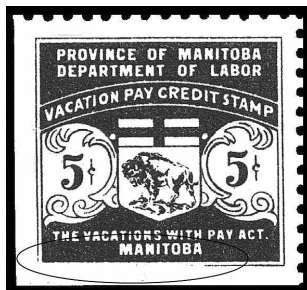
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Damaged Frames on 5-cent Manitoba Vacation Pay Stamp

Two damaged-frame varieties have been noted for the 5-cent lithographed Manitoba Vacation Pay stamp (van Dam MV3). The stamp in the lower left corner of the pane of ten shows progressive wear on the outer horizontal frame line. The stamp in the lower right corner of the pane has a crudely retouched break in both

(continues below)



vertical lines. Readers are asked to check for and report stamps from the same sheet positions that lack these characteristics.

– Dave Hannay

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Some Papers and Gums on Saskatchewan's 1968 Law Stamps

Steve Moreland

In the 1970s and beyond, **Kasimir Bileski** studied the varieties of papers and gums found in the 1968 Saskatchewan Law stamps (van Dam SL57-SL67). He bought up as many sets as he could find and left many notes on his progress. To show the rarity of this completed set (and other like varieties), Bileski wrote that he had travelled over ten thousand miles buying plenty of Saskatchewan Laws in search of certain varieties. He stated that he had an excellent idea of what exists, and the relative scarcity. He commented that "No one will ever know how many stamps there are in the set or what is a 'set'." The notes continued to say that "it is impossible for everything that was printed to exist MINT in a complete form."

To this date, one set has been completed and others are beginning to fill in thanks to a study by **Kenneth Prescott**. Ken has managed to complete a set of van Dam SL57-67 on Dull Paper with PVA gum.

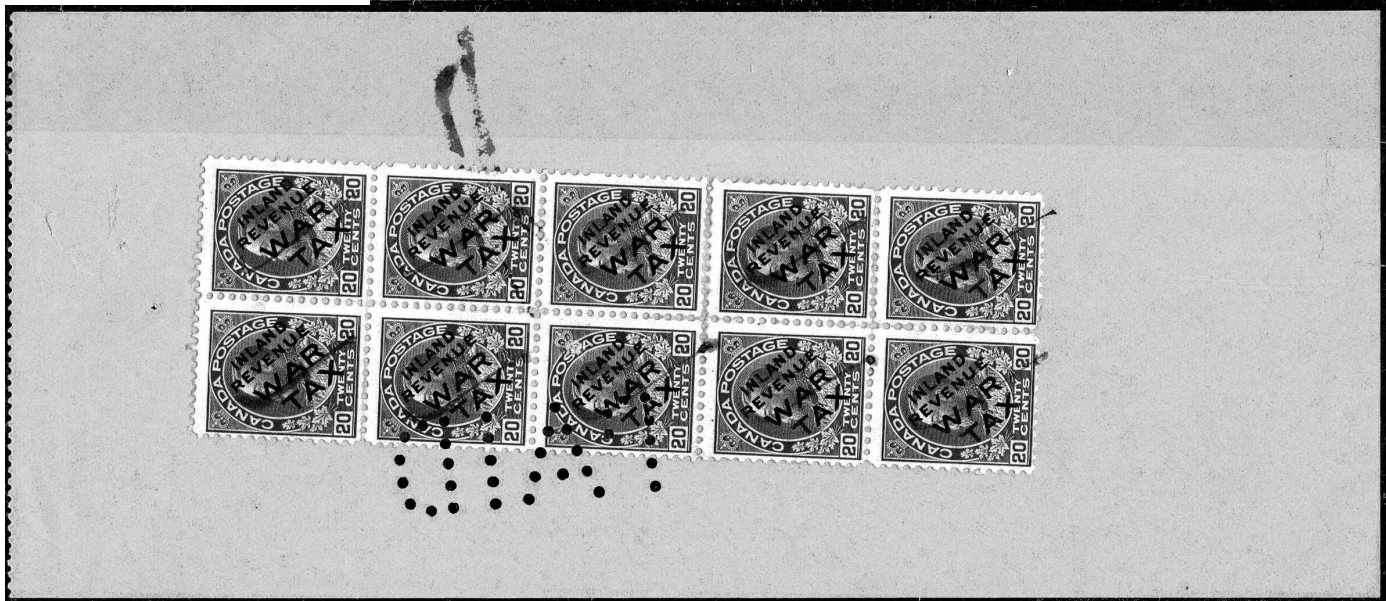
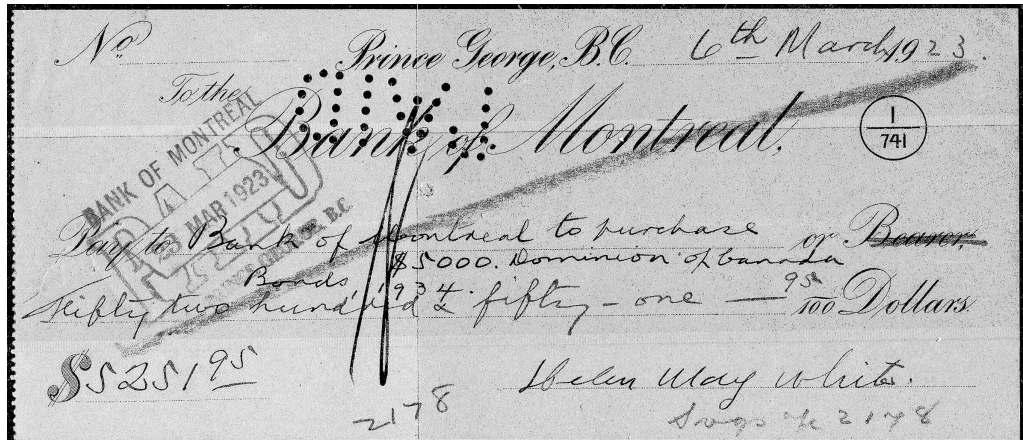
We are trying to fill in other sets of specific gum and paper types. The items marked with "X" in the chart below have been found. The other items are still unknown. If you can help with any of the as yet unlisted items, please contact me at the following e-mail address. If able, please attach scans to the e-mail.

moreland@sympati.co.ca

Paper	Gum	Denomination and van Dam Catalogue Number										
		5¢ SL57	10¢ SL58	25¢ SL59	50¢ SL60	\$1 SL61	\$2 SL62	\$3 SL63	\$5 SL64	\$10 SL65	\$20 SL66	\$50 SL67
Dull	PVA	X	X	X	X	X	X	X	X	X	X	X
Dull	Smooth Dex	X	X	-	X	X	-	X	X	-	-	-
Dull	Splotchy Dex	X	-	-	-	X	X	-	X	X	X	-
Plain	Smooth Dex	X	X	-	X	-	-	X	-	-	-	X
Plain	Splotchy Dex	-	X	-	-	-	X	-	-	X	X	-

Late Usage of a Second Issue Provisional War Tax Stamp

This cheque of March 6th, 1923, for \$5251.95 was taxed at the then current maximum rate of \$2 for items of \$5000 and over. The tax was paid by a block of ten of the 20-cent Second Issue Provisional War Tax stamp of February 1915 with the "Inland Revenue War Tax" overprint. This item represents a late usage of the provisionals. The stamps are lightly cancelled and tied to the document by a single pen-stroke on each stamp. The bank's "PAID" punch also ties the block. — **Fritz Angst**



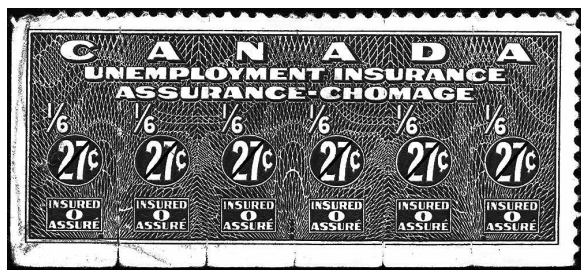
Unemployment Insurance Revenue Stamps and the Danny Leong Collection

James Bone

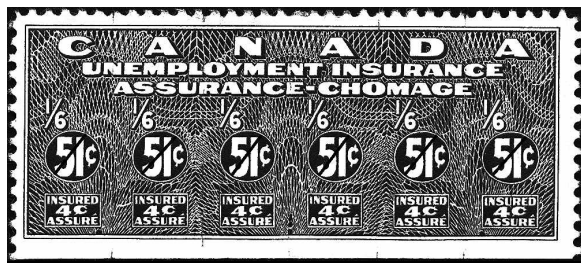
Archivist, Library and Archives Canada

This is a reprint of a blog-post on the web-site of Library and Archives Canada. It is reproduced here with the permission of James Bone and Library and Archives Canada. The original post can be found at this link: thediscoverblog.com/2018/10/04/unemployment-insurance-revenue-stamps-and-the-danny-leong-collection/

The Canadian government studied and established the first building blocks of our current social safety net in the early 1940s, during the Second World War. The government was looking to avoid or abate a repetition of Canada's experience of increased unemployment when soldiers returned from the First World War, especially in manufacturing with the end of wartime production and the resulting lower demand. One of the ideas that it seized upon was unemployment insurance: a mandatory program to which both employees and employers would contribute based on a given employee's wages; if the job was lost, that person would have some guarantee of a continued income for a specified period. The legislation establishing the program received royal assent in August 1940 and took effect on July 1, 1941. While unemployment insurance has been modified and reformed since then, the essence remains the same under the present Employment Insurance program.



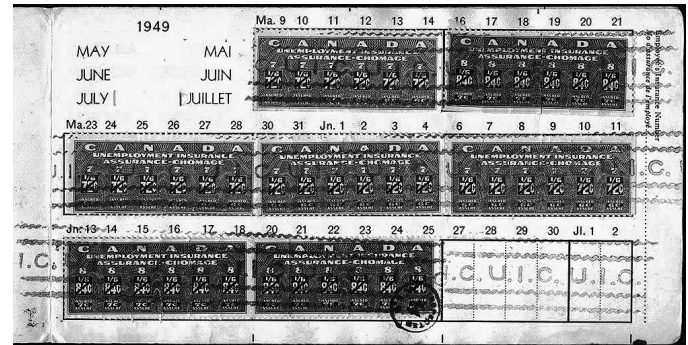
Uncancelled 27-cent unemployment insurance stamp from 1941 (MIKAN 4933817)



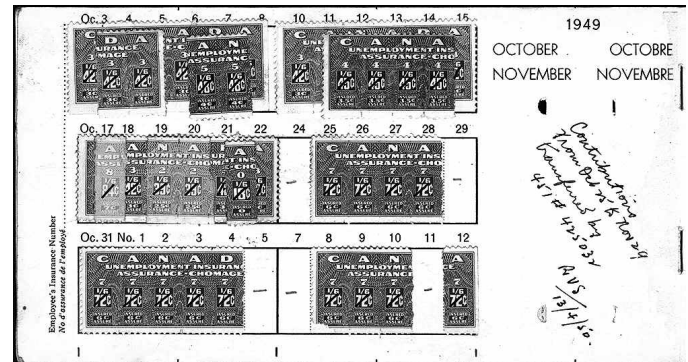
51-cent unemployment insurance stamp from 1941 (MIKAN 4933828)

At the time, of course, there was no computer-based record keeping, and a means had to be devised to show not only that payments for contributions had been made but also that a given employee was entitled to coverage. The most common method of proving that taxes or fees had been paid for government services during the late 19th and early 20th centuries was through the use of revenue stamps. Similar to postage stamps, revenue stamps specify the amount of money paid to purchase the stamp and the tax or fee that they were created to pay for. When used, revenue stamps were cancelled by an official to indicate that their value had been used for the intended purpose. Unemployment insurance stamps were available for purchase at post offices, and employers were required to withhold a set proportion of an employee's wage, while also making their own contributions, to purchase these stamps. The stamps would then be affixed to booklets, generally kept with the human resources or management unit of a company, and then submitted annually to the local Unemployment Insurance Commission

office. Each employee would have a booklet every year held by each employer for whom he or she worked. To ensure that the wages withheld were going toward the purchase of unemployment insurance stamps, employees were permitted by law to inspect their booklets twice a month.



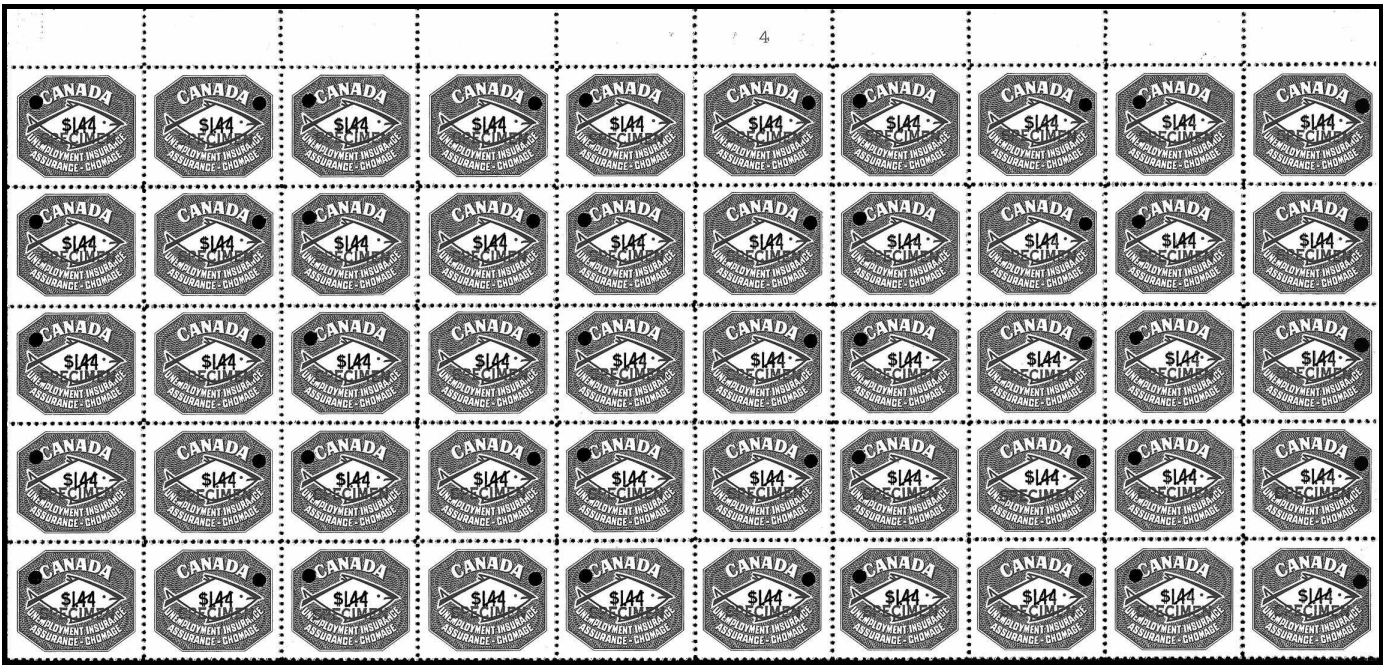
Used Unemployment Insurance Commission booklet – May to July 1949 (MIKAN 4937508)



Used Unemployment Insurance Commission booklet – Oct & Nov 1949 (MIKAN 4937509)

At the launch of the unemployment insurance program, many forms of employment were not eligible for coverage. These included agriculture, fishing, forestry and logging, hunting and trapping, air and water transportation services, medicine, nursing, teaching, military, police, and civil services. Over time, more forms of employment were made eligible for coverage. Most notably, in 1957 employment in the fishing industry was covered, providing a much-needed income guarantee to people in the newly confederated province of Newfoundland and throughout the Maritimes. At first, existing stamps were overprinted with the image of a fish to indicate their intended use in the fishing industry. In later years, fishing unemployment insurance stamps were issued without an overprint.

Among the various types of revenue stamps used by federal and provincial governments, unemployment insurance stamps are relatively scarce. This is because under the program's legislative act and regulations, it was illegal to sell unused stamps, and only an employer or an employer's human resources designate could be in lawful possession of unused stamps. Further, most of the booklets and used stamps submitted to the Unemployment Insurance Commission as well as most of the unused stamps were intentionally destroyed after their designated five years of retention. Also, unsold stamps were returned from post offices to the Unemployment Insurance Commission for destruction once they were no longer eligible to be sold, which happened when changes to unemployment insurance premiums required stamps to be issued in new denominations.



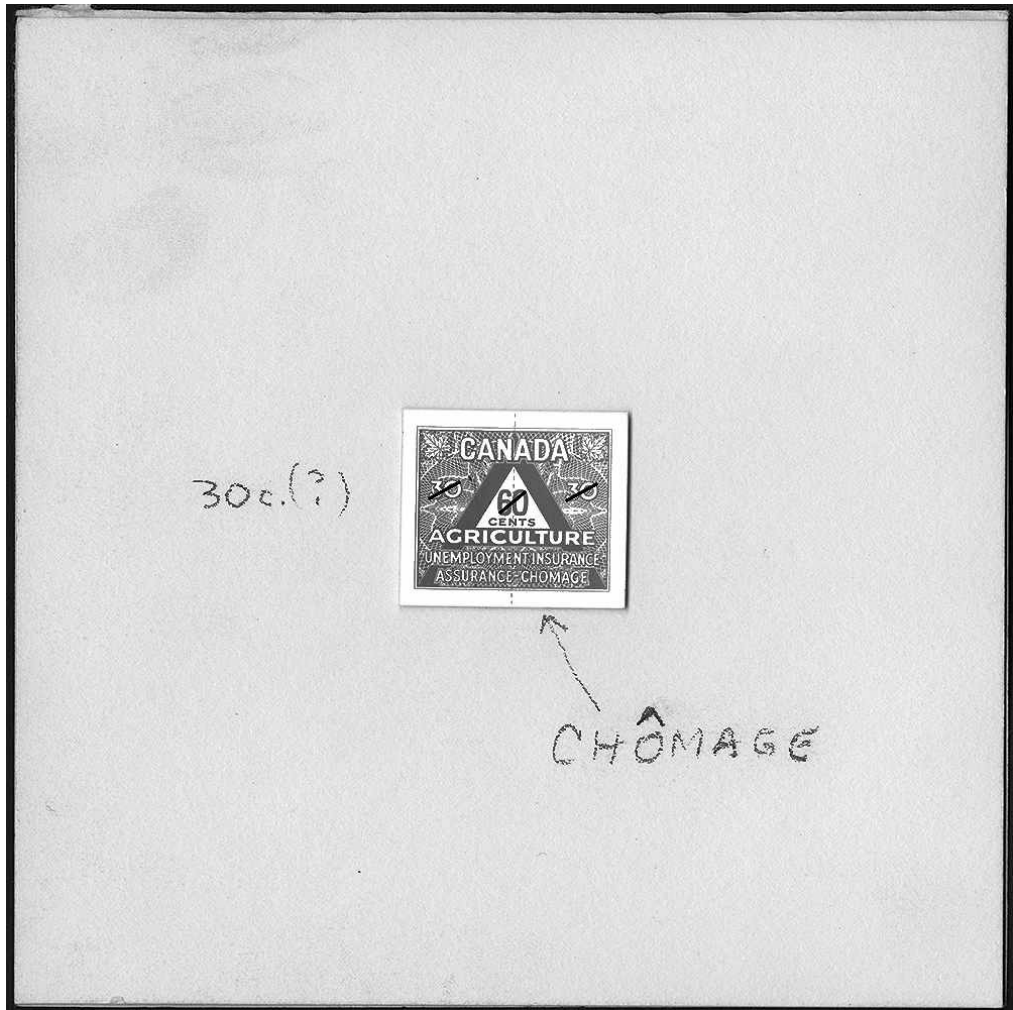
Unemployment insurance stamps from 1959 (MIKAN 4933286)

The Danny Leong Collection

It is thus fortunate that Library and Archives Canada was able to acquire the *Danny Leong Unemployment Insurance Stamp collection* (R15771), which includes more than 11,000 stamps, unemployment insurance booklets from all the years of their use, and other associated materials. Both **Danny Leong** and his widow, **Violet Anne Leong**, were employees of the Unemployment Insurance Commission in British Columbia. Through this employment, **Danny Leong** was able to collect specimens of the stamps and booklets that were no longer needed for business use, training or reference in the office.

Most of the stamps in this collection are pre-cancelled specimens, printed by the Canadian Bank Note Company in Ottawa and forwarded to the Unemployment Insurance Commission as examples of stamps to be issued and sold at post offices. The collection also includes specimen and used insurance booklets, possibly retained for training purposes. The most curious item is a singular engraved die proof dated March 1959. This unique proof is for a never-issued agriculture unemployment insurance stamp — as mentioned above, agriculture was not covered by unemployment insurance during this period. Evidently, consideration was given to including agricultural work in the program, and this consideration was

(continues next page)



Unissued agriculture unemployment insurance stamp die proof in orange, dated March 12, 1959, on back (MIKAN 4933808)

(continued from previous page)

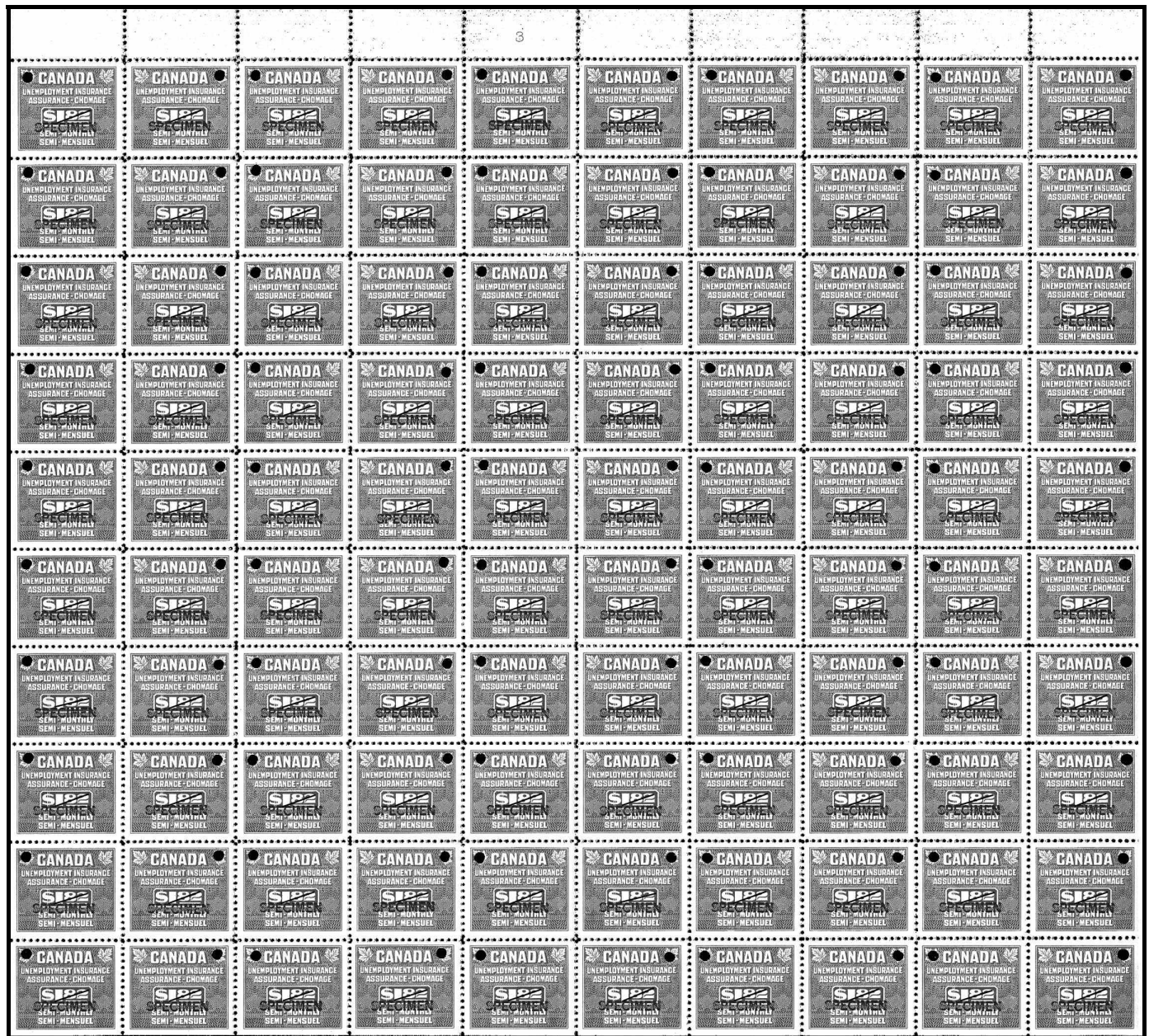
work in the program, and this consideration was serious enough to have involved having a stamp for that purpose designed and engraved. In discussion of this item, **Yves Baril** attributed the work as most likely that of the Canadian Bank Note Company's letter engraver **Donald Mitchell**, while the design appears to be that of **Harvey Prosser**, with supervision by **John Francis Mash**.

The use of revenue stamps and unemployment insurance booklets to record payments for insurance continued until the early 1970s. Thereafter, the program was reformed with computerized records and the first issuing of Record of Employment forms, which are still in use. Most importantly, the 1971 reform of the Unemployment Insurance Act made coverage almost universal regardless of industry---. The final issue of unemployment insurance stamps, printed in 1968, went mostly

unused, with only a few used examples having ever been found by collectors. Of interest to both those who study philately and labour history in Canada, the **Danny Leong Unemployment Insurance Stamp** collection is available for consultation at Library and Archives Canada. For further reading on Canadian revenue stamps, including unemployment insurance stamps, **Edward Zaluski's Canada Revenues** is an outstanding resource.

James Bone is an archivist in the *Social Life and Culture Private Archives Division of the Archives Branch at Library and Archives Canada*.

Editor's Note: The lines across the denominations in the images are not present on the actual stamps. "R15771" and MIKAN are identifiers for items in the collections of Library and Archives Canada.



Sheet of unused unemployment insurance stamps from 1948 (MIKAN 4933742)

- Chairman of the Canadian Revenue Study Group: Fritz Angst – fangst3@gmail . com
- Treasurer and Editor: Christopher Ryan, 289 Jane Street - Suite 101, Toronto, Ontario, M6S 3Z3, Canada

Ontario Liquor Control Board Seals

Christopher D. Ryan

On June 1st, 1927, at 10 a.m., the Province of Ontario lifted its prohibition on the general sale of alcoholic beverages, which had been in place since 7 p.m. on September 16th, 1916. On the date of the repeal, the newly established Liquor Control Board of Ontario (LCBO) opened its first stores for the government-controlled sale of beer, wine and spirits. Sales of their respective products were also permitted at wineries, breweries and beer warehouses. [1]

The initial regulations required the application of an LCBO paper seal to most bottles of alcoholic beverages offered for sale. These black seals (Figure 1) were issued in two sizes for small and large bottles, respectively. LCBO seals were not initially required for kegs of beer and for Ontario wines. [2] The seals did not represent any form of tax; they were not “revenue stamps.”

With respect to bottled beers, the regulations required that brewers print a circular design on their bottle caps or stoppers that was inscribed with “Liquor Control Board, Ontario” (later simply the initials “LCBO”) and “Beer.” As this system was being implemented, unmarked bottles of beer were affixed at stores with the LCBO paper seal. [2]

At the introduction of the new system, all of the paper seals were affixed at the newly established stores. However, the LCBO quickly moved to a system in which the seals were supplied to wineries and distillers to be affixed at their own premises. Once this practice was fully implemented, seals were applied at stores only in situations where they were torn, absent, or placed incorrectly. In June 1928, stores were directed to submit a comprehensive statement of all seals received to date, used, spoiled, and still on hand. All but a nominal quantity of the seals were to be returned to the head office. [2c, d, 3]

Ontario Wines

Wines produced in Ontario from Ontario grapes or cherries were designated as “native wines” and given special treatment under the Liquor Control Act. LCBO seals were not required on these wines until November 1st, 1930. [1a, 5]

The regular black seals were used on Ontario wines until mid 1932. Seals printed in maroon red were introduced in May 1932 for these wines, but wineries were instructed to use up their supplies of black seals before using those in the new colour. [2b, 4b, 5]

Design Changes

The LCBO paper seals introduced in 1927 (Figure 1) for bottles continued in use until December 1935 or January 1936, at which time the seals illustrated in Figure 2 were introduced. [2a, b, 4b, 6] The smaller of these new seals was printed by the Canadian Bank Note Company (CBN) and is the same size as the federal bottled-in-bond liquor seal. The larger seal in Figure 2 was produced by the British American Bank Note Company (BABN), who also produced the larger of the original seals in Figure 1. † At some as yet undetermined point in time, BABN supplied the seal illustrated in Figure 3. BABN and CBN supplied the bottle seals concurrently. [7]

Kegs of Beer

Official LCBO seals were not required on kegs of beer until January 1st, 1929. This new procedure was implemented under a general provision that permitted the LCBO to supply and require the use of a “special beer seal” at its own discretion, despite the existing regulations as approved by Order in Council. Details of the keg seals were not incorporated into the government-approved regulations until October 1931. [2, 4]

(continues next page)



Figure 1: Ontario liquor seals as introduced June 1927 for bottles of alcoholic beverages, except beer. The image of the smaller seal is taken from the records of the Archives of Ontario, RG 75-57, Orders in Council 174/11 of June 20th, 1929, and 191/319 of October 20th, 1931.

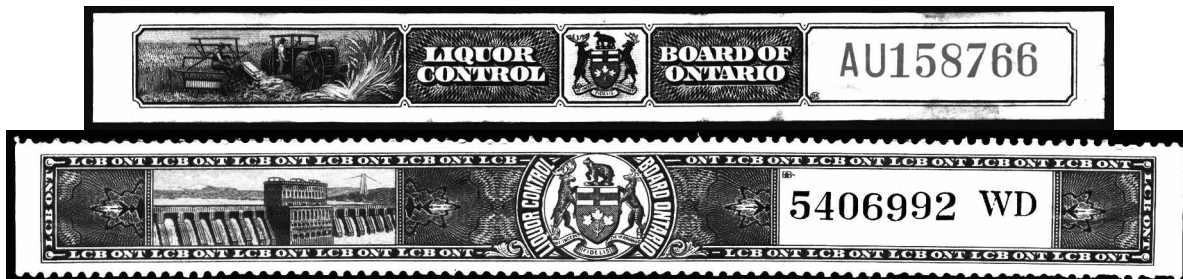


Figure 2: Ontario liquor seals for bottles of alcoholic beverages, except beer, approved by the LCBO December 1935, and by the Executive Council of the Province January 1936. The upper seal produced by Canadian Bank Note Co., lower by British American Bank Note Co.

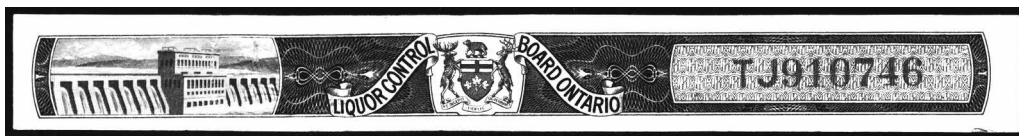


Figure 3: Later design of the seal produced by the British American Bank Note Co.

Two keg seals are illustrated in Figure 4 below. The one given at left is of the design included in the Order in Council of October 1931. The second item at right appears to be a later version. [4b]

Discontinuation of the LCBO Seals

The LCBO seals were discontinued in October 1963. This was done by simply redefining the “official seal” that was prescribed by the provincial statute. The new regulations, as approved August 16th, filed September 26th, and published in *The Ontario Gazette* of October 5th, provided as follows.

32 – The official seal attached to every bottle of liquor, except beer, . . . shall consist of the following:

- (a) the excise strip seal of the Government of Canada;
- (b) the strip seal of the manufacturer; or
- (c) the crimped foil capsule, lead capsule, cello seal band or aluminum pilfer proof cap of the manufacturer,

or such combination thereof as may be approved by the Board.

33 – . . . to every bottle of beer . . . shall consist of the body label and crown cork stopper of the manufacturer as approved by the Board.

34 – . . . to every keg, barrel or cask of beer . . . shall consist of the label of the manufacturer as approved by the Board. . . . [8]

(continues next column)

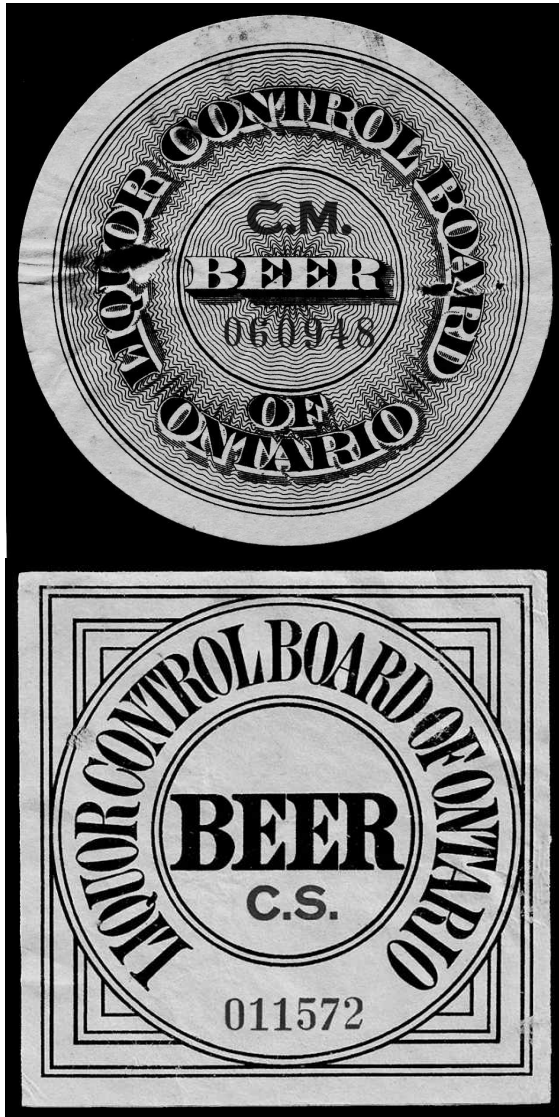


Figure 4: Seals to be placed over the spigot hole of beer kegs.

The new regulations were distributed by the General Manager of the LCBO on October 23rd, 1963, as an attachment to a circular issued to all of its Area Administrators, District Supervisors, Store Managers, Brewery Supervisors, Winery Inspectors, and Department Heads. [9]

Explanatory Notes

† The image of the smaller seal in Figure 1 is taken from a photocopy of a proof affixed to an Order in Council. As such, the resolution does not permit a determination of the presence of a BABN or CBN monogram in the design. However, the similarity of the design to the larger seal suggests that BABN produced both items.

In addition, it appears that the smaller seals were never serially numbered. With respect to larger seals, the Orders of May 1927, June 1929, October 1931, and July 1934 [2a, b, 4b, 10] stated:

The official seal to be attached to every package of liquor containing more than twenty ‡ ounces kept for sale or sold to the Board, or sold by a vendor at a Government store shall be in the following form and design, and shall bear a serial number:

[image of larger seal]

Whereas with respect to the smaller seal the same Orders stated:

The official seal to be attached to every package of liquor containing twenty ‡ ounces or less kept for sale or sold . . . , or by a physician as provided by Section 56 of the Act, shall be in the following form and design:

[image of smaller seal]

‡ The Orders of 1931 and 1934 had “ten” in place of “twenty.”

Reference Notes

- [1] a- Ontario, *Statutes*, 1927, 17 Geo. V, Ch. 70; 1930, 20 Geo. V, Ch. 51. (Section 80 concerns the application of seals to “native wines”.)
- b- Ontario, “First Report of the Liquor Control Board,” June-October 1927, *Sessional Papers*, 1928, Paper N^o 20, pp. 5-7.
- c- “From Ten to Six are Hours of Sale Says Liquor Board,” *The Globe* (Toronto), May 27th, 1927, pp. 1 & 3.
- d- “Eighteen Stores for Sale of Liquor to Open Wednesday,” *The Globe* (Toronto), May 28th, 1927, pp. 1-2.
- e- “Liquor Control Act Comes into Effect at Ten this Morning,” *The Globe* (Toronto), June 1st, 1927, p. 13.
- f- “They Line Up Quickly to Get Their Liquor Once Stores are Open,” *The Globe* (Toronto), June 2nd, 1927, pp. 1-2.
- g- “No Last-Week Winking at Law Enforcement,” *The Globe* (Toronto), Sep 12th, 1916, p. 9.
- h- “Prohibition on Saturday,” *The Globe* (Toronto), Sep 14th, 1916, p. 9.
- i- “Booze is Dethroned: Bars Close Quietly,” *The Globe* (Toronto), Sep 18th, 1916, p. 7.
- [2] a- Ontario, Order in Council 158/225 of May 26th, 1927, Archives of Ontario (AO), Records of the Cabinet Office and Executive Council, RG 75-57. (Can also be found in *Ontario Gazette*, 1927, Vol. 60, pp. 770-772.)
- b- Ontario, Order in Council 174/11 of June 20th, 1929, AO, RG 75-57. (Can also be found in *Ontario Gazette*, 1929, Vol. 62, pp. 816-820.) (The Archive copy of the Order includes a signed proof of one design dated May 1927.)
- c- Liquor Control Board of Ontario (LCBO), Circular N^o 4 entitled “Interim Instructions to Vendors,” Archives of Ontario (AO), Records of the Liquor Control Board of Ontario, RG 41-3, Correspondence - General Manager, Box 8, File 1-200.
- d- LCBO, Circular N^o 14, AO, RG 41-3, Box 8, File 1-200.
- [3] a- LCBO, Circular N^o 383 of June 22nd, 1928, to All Vendors, AO, RG 41-3, Box 8, File 301-400.
- b- LCBO, Circular N^o 582 of Jan 7th, 1929, to All Vendors, AO, RG 41-3, Box 8, File 501-600.
- c- LCBO, Circular N^o 943 of Mar 25th, 1930, to All Vendors, AO, RG 41-3, Box 8, File 901-1000.
- d- LCBO, Circular N^o 1855 of Jan 8th, 1937, to All Vendors, AO, RG 41-3, Box 8, File 1801-1900.
- e- LCBO, Circular N^o 3103 of Sep 10th, 1941, to All Vendors, AO, RG 41-3, Box 9, File 3101-3200.
- f- LCBO, Circular N^o 3653 of Nov 8th, 1945, to All Vendors, AO, RG 41-3, Box 9, File 3601-3700.

(Notes continue on page 10.)

The Post Office and the Provisional War Tax Revenue Stamps

Christopher D Ryan

This article expands upon points made in a previous work: "Canada's Provisional War Tax Revenue Stamps", CRN N° 61, June 2008.

It must be emphasized here that the Canadian Post Office Department had absolutely nothing to do with the overprinting of the 5-, 20- and 50-cent postage stamps for the war tax on wine. The Post Office did not supply the stamps to the Inland Revenue Department and had no control over their production, distribution or application, other than to prohibit their use on postal matter. The Inland Revenue Department was entirely responsible for the supply and cost of its own stamps of both the provisional and the regular issues. [1]

In a letter of February 11th, 1915, to the Postmaster General, the Deputy Postmaster General, R.M. Coulter, described in detail the confusion and other difficulties that would arise from the use by Inland Revenue Department of the overprinted postage stamps. He strongly objected to the appropriation of the stamps by the Inland Revenue, which had been done without his knowledge directly from the American Bank Note Company. The Deputy PMG only learnt of the situation on the afternoon of February 11th after the overprinted stamps had already been shipped from Ottawa on February 10th to divisional Inland Revenue offices. He had been informed by an official of the Finance Department, and not by the Postmaster General. [1, 2] Selected extracts from Coulter's lengthy letter of protest to the Postmaster General follow:

We have been in communication with Mr. Ross of the Finance Department today in regard to changing a clause in the Act in regard to the issuing of war stamps by this [Post Office] Department . . .

. . . Mr. Ross has refused to make the change, and on our bringing the matter up again this afternoon he states that to do so would be incompatible with the clause that gives the Minister of Inland Revenue power to use [overprinted] postage stamps instead of a special stamp of their own. In other words, a regulation to manipulate the stamps of the Post Office Department, although issuing postage stamps is our business, would be doing a wrong to the Minister of Inland Revenue, who should have no power to issue postage stamps at all.

This is the first intimation to this Department that postage stamps have been purchased from the [American] Bank Note Co. for this purpose until the Inland Revenue can get another stamp, and I am afraid it is going to lead to serious complications with this Department. The mere fact that a postage stamp is marked 'war tax' does not prevent its being considered a postage stamp. . . . I have deemed it well to bring the matter to your attention and ascertain if some conference could not take place to arrange so that, even if the right to issue [overprinted postage] stamps is not taken from the Inland Revenue Department, we might be given the power to make regulations that will not cause friction between the Department and the public, and carry out the intention of the Government as expressed the other evening.

As you have not mentioned the matter to me, I have assumed that it is the first time it has been brought to your attention, and as I understand 350,000 high-value postage stamps have been issued to the Inland Revenue Department and will be sent throughout the country at once, I deemed it wise that this should be brought to your attention without delay. [2]

The preliminary legislation governing the new "war" taxes was issued to local Inland Revenue officers as "instructions" to be implemented under the authority of the budget resolutions. With respect to the new stamp taxes, the "instructions" included a provision granting authority to the Minister of Inland Revenue to direct the production and use of postage stamps overprinted "War Tax" without obtaining the consent of the Postmaster General:

STAMP DUTIES GENERAL

1- The Minister [of Inland Revenue], except as here and otherwise provided, may direct stamps to be prepared for the purpose of this part of such kinds, and bearing respectively such devices, as he thinks proper.

2- The device on each stamp shall express the value thereof, that is to say, the sum at which it shall be reckoned in discharge of the obligation to affix or impress stamps under this part.

3- Notwithstanding the provisions of this section, with regard to the preparation of stamps the Minister [of Inland Revenue] may, for all purposes for which stamps are required under this part, authorize the use of postage stamps of the value required on which the words "War Tax" have been printed or impressed by direction of the Minister. [3]

The tax on wines was publicly announced in the House of Commons sometime between 4:00 and 5:00 p.m. on February 11th and took effect on February 12th, 1915. † [4] The use of postage stamps proper, as issued by the Post Office, for this tax was not permitted until April 15th, 1915. Prior to that date, only the stamps issued by the Inland Revenue Department were allowed on wines. [1, 3, 5] The provision in the preliminary legislation that allowed the Minister of Inland Revenue to direct the production and use of postage stamps overprinted "War Tax" was not included in the final version of the statute. [5] The Inland Revenue Department objected ‡ to the use of postage stamps to pay Inland Revenue taxes in general, but once overprinted the provisional stamps were no longer "postage stamps". [6]

Explanatory Notes

† The preliminary legislation as distributed to Inland Revenue officers gave February 11th as the implementation date, but this was overridden by the Budget Resolutions that set the date at February 12th.

‡ This objection by the Inland Revenue Department arose in large part from the Post Office policy of paying many postmasters by means of a commission on their sales of postage stamps. This commission ranged from 15% to 50%, on a graduated scale based on the postmaster's annual revenue. By comparison, the commission paid to postmasters and private vendors on the sale of Inland Revenue stamps was set in 1915 at only 1%. As a result, postmasters paid by commission actively promoted the use of postage stamps to pay Inland Revenue taxes. This practice was encouraged by the Post Office Department. In early 1917 the Post Office prohibited the sale of Inland Revenue stamps by postmasters. [6, 7]

Reference Notes

- [1] - Ryan, C.D., "Canada's Provisional War Tax Revenue Stamps", *CRN*, June 2008, N° 61, pp. 7-10.
- [2] - Coulter, R.M., Deputy Postmaster General, Letter of February 11th, 1915, to TC Casgrain, Postmaster General, Library and Archives Canada (LAC), RG 3, Vol. 641, File 746-25.
- [3] - "War Tax Stamps Placed on Sale," *The Gazette* (Montréal), February 12th, 1915, p. 4.
- [4] - Canada, *Debates of the House of Commons*, 1915, pp. 85-94.
- [5] - Canada, *Statutes*, 1915, 5 George V, Chapter 8, Section 19.
- [6] a- Vincent, J.U., Deputy Minister of Inland Revenue, Letter of February 16th, 1917 to TC Boville, Deputy Minister of Finance, LAC, RG 19, Vol. 259, File 101-53-2 Vol. I.
b- Coulter, R.M., Circular to Postmasters, April 30th, 1915, LAC, RG 3, Vol. 641, File 746-25.
c- Ryan, C.D., "Canada's George V War Tax Stamps in Booklets", *Canadian Revenue Newsletter*, June 2008, N° 61, pp. 5-6 & 4. (Inland Revenue stamps were issued in booklets in early 1916 to compete with the sale of postage stamps for inland revenue tax purposes.)

(Notes continue on page 10)

Moxley's History of the United States/International Playing Card Company

Christopher D. Ryan

Wiley W. Moxley was manager of the Canadian operations of the United States Playing Card Company (USPC) from August 1915 onwards, and president of the subsidiary firm, International Playing Card Company (IPC), from the commencement of its operations on January 1st, 1933. † He composed three accounts of his career, pertinent extracts of which are reproduced below. These accounts were included in papers submitted in September 2016 to the Municipal Council of the City of Windsor, Ontario as part of a proposal to alter the heritage status conferred upon the former premises of the Company in Windsor. (See City of Windsor, Council Agenda for September 19th, 2016, pp. 243-255, on-line at www.ci.tywin.indsor.ca/ci.tyhal1.)

According to Moxley's accounts, and a 1983 cover letter from IPC, the chronology of the USPC/IPC Company in Canada is as follows:

- 1914 - USPC opened a branch-plant in Toronto, Ontario under its own name to cut and package decks of playing cards from printed sheets imported from the United States.
- 1915 - Printing of playing cards began at Toronto in new premises.
- 1918 - New premises leased in Windsor (April) and plant is relocated there. Production began at Windsor (May) under the USPC name.
- 1928 - New, expanded premises occupied in Windsor.
- 1933 - Windsor operations reorganised January 1st under the name of IPC.
- 1939 - Assets of Canadian Playing Card Company (CPC), Montréal and dormant Dominion Playing Card Company (DPC) purchased in November. Production moved to IPC plant in Windsor, distribution warehouse remained in Montreal for a time thereafter.
- 1961 - Printing discontinued at Windsor plant. Sheets of cards once again imported from the United States for finishing in Canada.
- 1971 - Charter of dormant DPC surrendered. (DPC never active.)

The events of 1914, 1915, 1918, 1928, and 1933 are reflected in entries in the *Toronto City Directory* (Might Directories Limited, Toronto) and in *Vernon's City of Windsor Directory* (Vernon Directories Limited, Hamilton). This writer has not checked directories for the later dates.

● Moxley's Account of February 19th, 1945:

The following is a general outline of my activities in the [USPC] organization since starting in 1906:

AUGUST, 1915 – APRIL, 1918

The Canadian plant had been established in Toronto in 1914 to handle cutting and finishing operations only, but due to a reversal of certain Canadian Customs rulings it became necessary to install machinery for the complete manufacture of our line if we were to remain in Canada. This installation had just been made in newly acquired quarters when in 1915 I was appointed Manager to fill the vacancy created by the resignation of Mr, W.A. Berry. My duties consisted of general supervision of manufacturing, and entirely new departure for me, as well as being personally responsible for all sales except in a few distant points in the west that were visited by the representatives of the U.S. company whose territories bordered on Canada.

This arrangement, which called for a great amount of travelling, continued for more than eight years before I had any assistance in covering the territory.

The early years here were extremely difficult. By 1915 the First World War had become a very grim affair for Canadians, and in those days most of the propaganda issuing from the United States was unsympathetic to the Canadian cause. It is understandable, therefore, that prejudice and a strong feeling of distrust should begin to assert itself among many under these circumstances. Operating as we were under the name, The U.S. Playing Card Company, we naturally met strong, and in some cases very bitter sales resistance and although the trend of affairs later dissipated the worst of this there remained innumerable obstacles in addition the common problems of wartime production and threats of desertion by key employees who had been sent from the Cincinnati plant. Credit must be given those employees who for the most part did not carry out their threats. Even at this late date it appears an understatement to say that it was a time of utmost trial and a severe test of perseverance.

Evidence that our perseverance was not without reward is the fact that by late 1917 expansion and increased manufacturing facilities became necessary and after some study and consideration of several locations both in and out of Toronto the final choice was Windsor, where an entire building was leased and occupied in April, 1918. Two decided advantages in the Windsor location are the quicker movement of raw materials from their source in Cincinnati and the availability of desirable help.

APRIL, 1918 – JULY, 1928

During this period of operation in Windsor we saw the first direct taxation applied to playing cards (May 1, 1918) and many subsequent changes in these taxes which were very troublesome. However, business increased to a point where the leased quarters we occupied were inadequate and it was decided that we should have our own plant. Our present building was started in late 1927 and was occupied by us the following April.

JULY, 1928 – APRIL, 1929

Arrangements had been made for my removal to Cincinnati and during the dates inclusive I was technically attached to that office, although meanwhile maintaining the Canadian Branch supervision. The plans did not develop fully, however, and in the early part of 1939 I returned here to give full time to the Canadian end of the business.

APRIL, 1929 – JANUARY, 1933

These dates merely account for the time from my return to Canada until the incorporation of International. It was, however, during these depression years that our then competitor, Canadian Plying Card Company Limited, Montreal, made a desperate attempt to expand their business, with disastrous results.

JANUARY 1, 1933

On this date, after more than 18 years of operating under the name of The U.S. Playing Card Company, we were successful in clearing away all obstacles, such as trade mark problem, etc. and began under the name International Playing Card Company, Limited, thus robbing our local competitors of their favourite avenue of attack. This change for which we here had campaigned for years has proven its worth [sic] in many ways. The "U.S." name had been a source of much discussion, most unfavourable. We were the only American company having that prefix that dared to bring it into Canada. It is not that the trade, or any large number of the consumers, objected to its origin or that they have anything but the highest respect for the American

(Text continues on page 10)

(continued from page 9)

companies that operate under the U.S. name, but they did for years question our judgement and appreciation of finesse because of our persistence in marketing our Canadian made product under a name that seemed to imply lack of confidence in things Canadian. Another advantage in the change is the ability to trade with more consistency in Empire markets where a preferential duty is allowed on Canadian merchandise. We were challenged on more than one occasion as to our eligibility while using the U.S. name.

NOVEMBER, 1939

At this time we purchased the stock and assets of the Canadian Playing Card Company Limited and their subsidiary the Dominion Playing Card Company Limited, both of Montreal. In acquiring this business, which has now paid for itself, we secured enough additional volume to keep our plant busy and thereby reduce overhead and increase profits to a very satisfactory degree. It has been an entirely successful transaction, and the merchandise for the combined companies is all manufactured in the Windsor plant. The Dominion Playing Card Company Limited, although dormant, is being kept alive against the possibility of needing another company either for domestic or export trading that can be put into operation without delay.

● Moxley's Post-Retirement Biography of May 1956:

Products of The United States Playing Card Company were sold in Canada but in 1914 officials of the Company decided to open a branch in Canada at Toronto. On August 7th, 1915, Wiley Moxley arrived in Toronto to assume the task of managing the Canadian Branch. Manufacturing operations were begun at 249 College Street but moved in 1915 to 559 College.

However, like many other firms of American parentage a closer border point seemed desirable and Windsor was selected. In early 1918 Mr. Moxley had the task of moving manufacturing equipment, employees and their belongings to the new location and in the Ferry Building on Windsor's river front the Branch was re-established. In May 1918 operations were again under way. It was on May 1st, 1918, that Excise Tax was first levied on Playing Cards, a tax that began at 8¢ and now is 20¢ per pack.

● Cover Letter of March 22nd, 1983, from Duncan F. Brookbanks, President IPC Company, regarding Moxley's Accounts:

You had inquired about the origins of this Company and these commence with the activities of Mr. Wiley W. Moxley, our founder and first President.

Attached are three documents dated February 19, 1945, July 14, 1954 and May, 1956, portions of which may overlap or duplicate in parts.

On November 20, 1939, the Company acquired the Canadian Playing Card Company Limited and its inactive wholly owned subsidiary the Dominion Playing Card Company Limited in Montreal from Consolidated Lithograph Mfg. Co. Ltd. Both had been chartered in 1923 and had provided the major competition to IPC for sales in Canada. CPC had lost money and was advertised as being for sale in a Montreal newspaper. Dominion Playing Card Company was never activated and its charter was surrendered in 1971 as the name had lost its significance with the passage of time.

Canadian Playing Card brands were warehoused and shipped from Montreal from 1939 to 195[8/2] ‡ being produced at the IPC plant in Windsor, when the warehouse was closed and the brands absorbed by IPC. The only existent CPC brands are one colour bridge size Aviator conventionals [sic], Target and Stag, still in demand in the Quebec market.

. . . Mr. W. Harold MacKay succeeded Mr. Moxley as President of IPC in February, 1956 which position he held until retirement at age 65 on March 31, 1974

Printing was performed in Canada from 1915 to 1961, at which time equipment obsolescence coupled with favourable duties on printed playing card sheets dictated discontinuation of the pressroom. The printed sheets provided to IPC are of the same high quality as those produced for U.S. consumption.

(No extracts are presented from Moxley's account of July 14th, 1954, as they would not provide the reader with any information that has not already been covered here.)

Notes

† The federal charter of incorporation for the International Playing Card Company as a private company was issued August 24th, 1931. (Source: *Canada Gazette*, October 24th, 1931, Vol. 65, N^o 17, p. 1033.)

†† The text of the 1983 letter has a handwritten "2" above a typewritten "8".

Ontario Liquor Seals

(continued from page 7)

- [4] a- LCBO, Circular N^o 569 of Dec 20th, 1928, to All Brewery Inspectors, AO, RG 41-3, Box 8, File 501-600.
b- Ontario, Order in Council 191/319 of Oct 20th, 1931, AO, RG 74-57. (Can also be found without illustrations in *Ontario Gazette*, 1931, Vol. 64, pp. 2207-2214.)
- [5] a- LCBO, Circular N^o 1117 of Oct 23rd, 1930, to All Vendors, AO, RG 41-3, Box 8, File 1101-1200.
b- Ontario, Order in Council of Oct 29th, 1930, approved by LCBO on Oct 2nd, 1930, Section 93, *Ontario Gazette*, 1930, Vol. 63, pp. 2184-2186.
c- LCBO, Circular N^o 1404 of May 25th, 1932, to All Vendors, AO, RG 41-3, Box 8, File 1401-1500.
- [6] a- Ontario, Order in Council 218/56 of Jan 16th, 1936, approved by LCBO on Dec 20th, 1935, AO, RG 75-57. (Can also be found without illustrations of new labels in *Ontario Gazette*, 1936, Vol. 69, p. 138.) (The smaller, CBN label affixed to the Order is imperforate and serially numbered A037396. The larger, BABN label is imperforate and unnumbered.)
b- Common, W.B., Solicitor, LCBO, Letter of Dec 20th, 1935, to Prime Minister and Provincial Treasurer of Ontario, attached to [6a].
- [7] - Spragge, J.G., LCBO, Letter of Jan 31st, 1958, to H.W.J. Maddison, Alberta Liquor Control Board, AO, RG41-1, Box 5, File 1-A-1.
- [8] a- Ontario, *Revised Regulations*, 1960, Regulation 405, Sections 32-40.
b- Ontario, Regulation 254/63, *Ontario Gazette*, 1963, Vol. 96, p. 2599.
- [9] - Ontario, Order in Council 209/299 of July 18th, 1934, AO, RG 75-57. (Can also be found in *Ontario Gazette*, 1934, Vol. 69, pp. 900-902.)
- [10] - Spragge, J.G., LCBO Circular of Oct 23rd, 1963, AO, RG 41-3, Box 13, File Miscellaneous Circulars 1963.

Provisional War Tax Revenue Stamps

(continued from page 8)

- [7] a- Canada, Report of the Postmaster General for the Year ended March 31st, 1918, *Sessional Papers*, 1919, 9 Geo. V, Paper N^o 24, p. 9.
b- Canada, Order in Council PC 849 of April 30th, 1915, LAC, RG 2. (A 5% commission was proposed, but only a 1% commission was approved.)
c- Coulter, R.M. (unsigned), Deputy Postmaster General, Draft Letter of June 15th, 1915, to R. Trites, Secretary, Westmoreland County Conservative Association, LAC, RG 3-C-1, Vol. 641, File 74625.
d- *Monthly Supplement to Canadian Official Postal Guide*, Mar 1917, p. 5.

George Matthews, Burland-Lafraicain and the Printing of the Second Issue Bill Stamps and the 1864 Law Stamps – Corrigendum to CRN N^o 98 –

Page 7, Second Column, Sixth Paragraph: The second sentence should read "Furthermore, BLC felt that they were entitled to . . ."