

Journal of the Canadian Historical Association Revue de la Société historique du Canada



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Volume 31, numéro 1, 2021

URI : <https://id.erudit.org/iderudit/1083630ar>

DOI : <https://doi.org/10.7202/1083630ar>

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Éditeur(s)

The Canadian Historical Association / La Société historique du Canada

ISSN

0847-4478 (imprimé)

1712-6274 (numérique)

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Citer ce document

Gettler, B. (2021). Take and Take: The Citizen-Taxpayer and the Rise of Democratic Colonialism in Canada. *Journal of the Canadian Historical Association / Revue de la Société historique du Canada*, 31(1), 97–103. <https://doi.org/10.7202/1083630ar>

Résumé de l'article

Give and Take de Tillotson est une contribution majeure à l'histoire du Canada, une analyse très envoûtante de la culture et de la politique dans le domaine crucial et pourtant très peu étudié de la politique fiscale. L'ouvrage présente un argument convaincant selon lequel le contribuable n'a jamais été l'anathème du citoyen, mais plutôt que les deux parties se sont constituées mutuellement. Après avoir présenté une vue d'ensemble du livre *Give and Take*, cet essai examine le traitement qu'il effectue des Premières Nations et de la fiscalité. Bien que le livre traite le sujet avec succès, cette critique avance que Tillotson aurait pu utiliser son matériel non pas pour profiler la montée de la démocratie canadienne, mais celle du colonialisme démocratique au Canada.

Take and Take: The Citizen-Taxpayer and the Rise of Democratic Colonialism in Canada.

BRIAN GETTLER

Abstract

Tillotson's Give and Take is a major contribution to Canadian history, a highly engaging analysis of culture and politics in the critical yet wildly understudied field of fiscal policy. The book makes the persuasive argument that the taxpayer was never somehow anathema to the citizen but rather that the two figures were mutually constitutive. After presenting a general overview of the Give and Take, this review considers its treatment of First Nations and taxation. While the book fruitfully covers the topic, the review argues that Tillotson might have used her material to profile not the rise of Canadian democracy but that of democratic colonialism in Canada.

Résumé

Give and Take de Tillotson est une contribution majeure à l'histoire du Canada, une analyse très envoûtante de la culture et de la politique dans le domaine crucial et pourtant très peu étudié de la politique fiscale. L'ouvrage présente un argument convaincant selon lequel le contribuable n'a jamais été l'anathème du citoyen, mais plutôt que les deux parties se sont constituées mutuellement. Après avoir présenté une vue d'ensemble du livre Give and Take, cet essai examine le traitement qu'il effectue des Premières Nations et de la fiscalité. Bien que le livre traite le sujet avec succès, cette critique avance que Tillotson aurait pu utiliser son matériel non pas pour profiler la montée de la démocratie canadienne, mais celle du colonialisme démocratique au Canada.

Give and Take constitutes a major contribution to Canadian history, weaving together analysis of culture and politics in the critical yet wildly understudied field of fiscal policy. Yet this is not only an important book; it is also an engaging read that carries us from the halls of power to the homes of the wealthy and the far less wealthy, onto fishing vessels and into factories, across borders, and into the lives of a wide cast of characters, some well known, others far less so, if at all. Tillotson makes the critical argument that the taxpayer was never somehow anathema to the citizen but rather that, at least from the 1910s through the 1960s, the two figures were mutually constitutive.

Indeed, she reminds us of an important part of politics that is all too often ignored: “Talking about taxes draws people into public life.”¹ Ultimately, Tillotson suggests that rather than focusing on the polemics of our own day (polemics, as Dimitry Anastakis astutely notes, that, in the Canadian context at least, await their historian), whether the supposed cheapening of citizenship through the transactional claims of taxpayers or the purported brake taxation puts on private initiative, innovation, and economic prosperity, we ought to concentrate on investigating taxes and fiscal policy as objects of debate that contributed materially to the extension of democracy in Canada in the twentieth century. As with any master narrative, however, the overarching story *Give and Take* tells fails to account for all experience. To her credit, Tillotson realizes this, looking to First Nations as the exception that proves the rule. In what follows, I will focus on this marginal and marginalized piece of Canada’s twentieth-century history of taxation to suggest that we see in First Nations’ experience a counternarrative that requires reinterpreting the arc of democratic development suggested by the book as a whole.

Instead of an abstract policy study, Tillotson presents us with a project that looks “to put real human beings into our tax history” and “to sketch the big picture of how things fiscal helped to make modern Canada’s democratic culture.”² This is not primarily a work aiming to “correct” misconceptions or plumb deeper into the fiscal and financial foundations of the Canadian state (though it does so too), but a study of debate on taxation and the contribution this debate made to broadening democracy. While the book’s focus is most often policy-makers and civil society writ large, it is also attentive to marginalized communities. The emphasis *Give and Take* places on the centrality of taxation — especially *income* taxation — to notions of citizenship in the twentieth century is particularly important in this regard. While the government initially launched income tax as a temporary measure in 1917 to fund Canada’s war effort, experts immediately understood, as did many others in short order, that the country’s fiscal situation meant the tax would remain in place for the foreseeable future. Though Tillotson is careful to note that in its first two decades income tax had “nothing to do with social justice by means of income redistribution,” the relatively privileged made up the bulk of those who paid the tax in this period.³ From the Second World War, however, the makeup of this group shifted significantly, as legislative changes “created a huge cohort of new income tax payers — one that was not only poorer

but also included more women, status Indians, and some racialized groups.” Tillotson argues that “these new taxpayers for war finance would push, by means of tax bargaining, toward a more democratic Canada, one in which the material circumstances of the majority of citizens had a newly direct effect on federal policy.”⁴ Changes in the immediate postwar years and the 1960s continued this expansion and diversification of the taxpaying public — that is, those who thanks to federal income tax were seen as legitimately capable of claiming inclusion in the democratic process. As Lisa Pasolli observes elsewhere in the roundtable, this emphasis on material circumstances suggests fruitful ways of rethinking the history of social policy as more people with increasingly diverse concerns sought a seat at the table. With respect to First Nations, it also points to the need to consider how fiscal policies shaped the shift in the 1950s and 1960s of the provision of welfare and other social services from the Indian Affairs Branch to the provinces.⁵

In contrast to other marginalized groups, however, First Nations rarely sought inclusion of the kind depicted by Tillotson through the broadening of the tax base.⁶ This should not be surprising. Since the Province of Canada first defined “Indians” in the 1850s, Canadian legislation dealing with First Nations had focused on transforming them into liberal subjects through a formal process of enfranchisement. This system was intensely gendered (women’s status being wholly subservient to that of the male head of household) while requiring that candidates for enfranchisement be financially solvent, able to communicate in one of the country’s two official languages, sober, and morally upright. Although this set of criteria negatively defined the ideal liberal citizen’s character traits through their supposed absence (Indigenous peoples being as close as possible to the opposite of liberal in the minds of the laws’ framers), it was the promise of individual property — to be transferred from First Nations’ lands and funds — that would truly make the enfranchised “Indian” a citizen.⁷ As E. A. Heaman’s *Tax, Order, and Good Government* has demonstrated, individually owned property in land lay at the heart of nineteenth-century notions of citizenship.⁸ This explains the emphasis placed in legislation not only on land grants from reserves as part and parcel of enfranchisement but also on the tax-exempt status of property held on reserve. Once enfranchised, an individual would cease to reside on-reserve, taking his lands and other property with him into wider Canadian society where they would be taxable and he would be a citizen.

Give and Take picks up this thread in the interwar years as confusion and disagreement reign between the Department of Indian Affairs, the Department of Justice, and National Revenue.⁹ The heart of the matter was reserve residents' tax-exempt status and whether this applied to taxation of income earned from off-reserve employment. Since income had not been one of the Canadian state's sources of tax revenue prior to the First World War, the Indian Act did not address the issue.¹⁰ Though most officials initially held that place of residence rather than place of employment determined tax exemption, the latter gradually displaced the former until becoming the sole federal position during the Second World War. Tillotson sees this shift as arising from two main factors. First, doing so made the administration of tax exemption for status Indians significantly easier, as determining where one worked was often less of a challenge than determining where one lived. Second, and more fundamentally for Tillotson's argument, this shift in policy addressed the expansion in taxation during the Second World War, the hard hit taken by "the pocketbooks of working-class Canadians generally, [and] the potential for racially inflected resentment among working people of settler descent.... To insist that status Indians earning side by side with their neighbours also pay taxes on their small incomes was a means of responding to their neighbours' envy about a tax exemption whose scope was still being negotiated."¹¹ Of course, it was also a means of discursively assimilating Indigenous peoples into the Canadian polity, regardless of their legal status and whether they liked it or not.

As Tillotson demonstrates, First Nations made clear their opposition to the requirement that those employed off-reserve pay income tax. In correspondence with Indian Affairs, they argued that it was inappropriate to tax a population who held only limited citizenship rights. How, these writers asked, could a ward of the Crown and a minor in the eyes of the law without voting rights or even the right to consume alcohol be expected to pay taxes? Alex Sioui, a Wendat from Jeune-Lorette, made this connection forcefully in a 1942 letter to Indian Affairs concerning his income earned off-reserve at the Arvida aluminum plant: "I cannot enjoy Canadian citizenship, being an Indian; but I am entitle[d] to Indian privileges; meaning no Taxes."¹² Drawing on the work of Hugh Shewell, Tillotson notes that these claims fit within a broader argument made by activists during the Second World War that the state was illegally imposing not only income tax but also conscription on First Nations.¹³ While providing

impetus for pan-Canadian First Nations organizing, these arguments failed to influence policy in Ottawa.

Customs duties form the other major question of taxation involving First Nations on which *Give and Take* concentrates. Here, the focus is on the belief, widely held among some First Nations through the mid-twentieth century and, indeed, to the present day, that the Jay Treaty (1794) afforded duty-free trade across the US-Canada border.¹⁴ Tested and ultimately rejected in both countries' courts as no longer being in effect, the treaty remained a touchstone in part because of the discretionary powers afforded border agents who sometimes chose not to charge duties. Tillotson notes, for example, that Akwesasne Mohawk interpreted the RCMP's lack of enforcement to mean that Canada recognized the First Nations' Jay Treaty rights. When in 1951 an agent did enforce the letter of the law, he was "accused of 'picking on' certain Indians because others have goods purchased in the US, etc., etc. This makes hard feelings among the Indians when they feel they are being discriminated against."¹⁵ The analysis of customs duties, then, provides another powerful example of the book's main claim about Indigenous peoples: that their political marginalization meant they were subject to taxation without the benefit of democratic representation.

Give and Take is an excellent book. It is clearly written, based on truly impressive archival research, and proposes a compelling argument. Yet the creative tension between taxation and democracy on which it focuses might have been more effectively developed with respect to First Nations. The critique is not that Tillotson neglects First Nations, but that she misses an opportunity to analyze how the "citizen-taxpayer" rose in part on the back of the "Indian." Absent from the book is a discussion of the effects of colonial dispossession on Canada's fiscal system. Though understandable, given that historical research on the topic is only now beginning to emerge, *Give and Take* would have benefited from the common contention among activists that Canada's system of public finance would have been impossible without the expropriation of Indigenous lands and resources.¹⁶ Also absent is any reflection on the remarkably tenacious contemporary assumption that status Indians do not pay taxes (to quote Métis writer Chelsea Vowel, "*Blaaargh* (head explodes)").¹⁷ Tillotson does present elements that might have been used to explain the origins of this myth. For example, she could have productively considered the influence of confusion around the applicability of particular taxes, whether

with respect to place of residence or place of employment in the context of income tax or questions surrounding customs duties and the Jay Treaty.

The book might also have more effectively explored the instrumentalization of First Nations by segments of the Canadian population in debates on taxation. On several occasions, Tillotson, pursuing Heaman's excellent analysis of racialization and taxation in an earlier period deep into the twentieth century, remarks that those arguing for greater tax fairness would invoke the readymade figure of "the Indian," using it as a warning to government not to consider exemptions for First Nations or to claim erroneously that "income taxation was making the many sacrifice more than the few."¹⁸ In reality, of course, this rhetorical move had little to do with fairness and nothing to do with equity. Instead, it furthered dispossession and continued the colonial project's tendency to make the few sacrifice more than the many. This leads back to the citizen-taxpayer. If taxes contributed to expanding democracy, they did not do so alone. The aptly titled *Give and Take: The Citizen-Taxpayer and the Rise of Canadian Democracy* convincingly demonstrates that many marginalized Canadians could lay claim to citizenship through taxation. It also shows, however, that taxation did not confer citizenship by itself. Centring First Nations in the history of income tax might have generated just as apt a title, one that foregrounds the rise not of Canadian democracy but of democratic colonialism in Canada.

BRIAN GETTLER is an associate professor of history at the University of Toronto. His research focuses on the political, economic, and social history of colonialism in Canada as well as narratives of national history in Quebec and has appeared in several academic journals and edited collections, in both French and English. Gettler's book, *Colonialism's Currency: Money, State, and First Nations in Canada, 1820-1950*, analyzes the distinct experiences of three First Nations alongside the monetary dimensions of British and Canadian Indigenous policy and corporate policy in the fur trade. Rather than focusing on the perhaps obvious ways in which wealth shaped politics, it concentrates on money as both a symbol around which discourses of appropriate behaviour were articulated and as a concrete tool in the governance of peoples and lands. Gettler is currently working on the history of

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BRIAN GETTLER est professeur associé d'histoire à l'Université de Toronto. Ses recherches portent sur l'histoire politique, économique et sociale du colonialisme au Canada, ainsi que sur les récits de l'histoire nationale au Québec. Elles ont été publiées dans plusieurs revues savantes et collections éditées, en français et en anglais. Le livre de Gettler, *Colonialism's Currency : Money, State, and First Nations in Canada, 1820-1950*, analyse les expériences distinctes de trois Premières Nations en parallèle avec les dimensions monétaires de la politique autochtone britannique et canadienne et de la politique des entreprises dans le domaine du commerce des fourrures. Plutôt que de se concentrer sur les façons parfois évidentes dont la richesse a façonné la politique, il s'intéresse à l'argent en tant que symbole autour duquel s'articulaient des discours sur les comportements appropriés et en tant qu'outil concret de gouvernance des peuples et des terres. Gettler travaille actuellement sur l'histoire des finances publiques et des relations fiduciaires entre la Couronne et les Premières Nations aux XIX^e et XX^e siècles.