

The Journal of Commerce

Devoted to
CANADIAN INDUSTRY, COMMERCE
AND FINANCE

Published every Tuesday morning by the
Journal of Commerce Publishing
Company, Limited.

Editorial and Advertising Offices, Room 205
Drummond Building, St. Catherine and Peel
Streets, Montreal. Telephone: Uptown 7773.

Toronto Office: 1402 C.P.R. Bldg., Toronto. Tele-
phone: Adelaide 3310.

Vancouver Office: 528 Winch Building, Van-
couver.

Printed at the Garden City Press, Gardenvale,
P. Q. Telephone: 165 St. Anne's.

HON. W. S. FIELDING,
President and Editor-in-Chief.

Subscription price, \$3.00 a year
Advertising rates on application.

Gardenvale, P. Q., December 21, 1920.

The Prince of Peace

"For unto us a child is born, unto us a son is given; and the government shall be upon his shoulders and his name shall be called Wonderful, Counsellor, The Mighty God, The everlasting Father, The Prince of Peace." Sublime the prophecy; majestic the form; with a rainbow climax—The Prince of Peace. "As on the Sea of Galilee, The Christ is whispering Peace."

Richard Baxter used to say: "We must somehow get back to our fundamentals." Each returning Christmas brings us back to a world's pressing need as expressed in the glorious song of old: "Peace on earth, good-will to men".

Premier Lloyd George in the British House of Commons recently said: "The great issue at the present moment which engages the statemanship in all lands is treaties of peace. I mean peace, an atmosphere of peace. I mean peace, and con-
sphere of peace, the spirit of peace and concord, the old phrase, 'Peace on earth and good-will among men' abroad and at home. Here in our factories, in our workshops, in our mines. That is the demand of the hour.....The world cannot go on with its business without peace. You cannot build on a rocking foundation."

The hour and the need are met in the Christmas thought and spirit. As wide as a world's need; as sure and certain as the sun-rise. We have just commemorated Armistice Day, and at the foot of a cross, the supreme symbol of the Prince of Peace, were placed wreaths, the tokens of affection and regard for those who at duty's behest made the supreme sacrifice "to defy wrongs darker than death or night," that we who remain might continue to enjoy

the great blessings of liberty and freedom beneath the aegis of the glorious British Crown.

Righteousness vindicated, Christmas with its message of Peace and Good-will, a healing grace so fruitful and blessed comes that we may be dowered with the fruits of righteousness and enjoy the blessedness of lasting well-being, within the precious family circle, the community, the nation and a world.

"Lift high Thy banner, Prince of Peace,
"Let hatred die and love increase."

The poet's dream, the statesman's hope, "that men the world o'er shall brothers be", seems to be afar off. But each Christmas, within a large area of the world, affords an expression of brotherhood as pleasing as it is beneficent and in a degree indicative that a world's greatest need can become its greatest blessing. Also Christmas reminds us, in the thought of Browning, "that there was more in life than anything economics could give us; and which gave life a value now and eternally; and were as free as the sun-light for all and unto all ever waiting a cordial response."

"For the love of God is broader than the
measure of man's mind,
"And the heart of the Eternal is wonder-
fully kind."

Happily in life's experiences there is a national mood, a national spirit, when hearts beat in unison and joy, and gladness spreads sunshine, and real life becomes a glorious endowment. Where so precious as within one of earth's supreme blessings: "Home, sweet home", where sacrifice is a treasured delight and service a blessed benediction?

"At Christmastide the open hand,
"Scatters its bounty o'er sea and land
"And none are left to grieve alone,
"For love is heaven and claims its own."

The Luxury Tax

The Finance Minister, Sir Henry Drayton, seems to like a sensation. He produced one in financial circles when, after many months of restriction, he suddenly threw down the bars and authorized open trading in Victory bonds. He has produced another sensation of wider character by suddenly, in the midst of the holiday purchasing, abolishing the luxury taxes except on a few articles.

The control of taxes is one of the high privileges of Parliament. A Government cannot of its own motion impose taxes. The law, however, allows the Government the privilege of remitting taxes. The law does not contemplate an extensive use of that power. Only in exceptional circumstances is its use regarded as likely to occur. The power to abolish duties has occasionally been exercised in the past, but never before, we think, in so wide a form as by the order just issued. Such important changes

of policy are usually left to the judgment of Parliament. That the change has in this case been made so unexpectedly by executive action has caused much surprise.

At the last session of Parliament the need of increased revenue to meet the obligations arising from the war was so generally recognized that there was little disposition to criticize the steps taken by the Government to raise the money. There was, however, much doubt among business men as to the wisdom of some of the provisions of the budget. The expression "luxury tax" was an attractive one. Tax luxuries? Certainly! What subjects so well suited for taxation? But many thoughtful observers felt from the beginning that there might be difficulty in making any definition of "luxuries" that would work out satisfactorily, and they saw that the system to be employed would likely prove irritating and expensive to traders. Representations along these lines were made to the Minister, but he thought the arguments in favor of his taxes were the stronger ones. He has now yielded to these representations.

Of course, the abandonment of such a large source of revenue must be followed by substitute measures. The Government can take off the objectionable taxes, but cannot impose others to make good the loss of revenue. For these the will of Parliament must be awaited. It is to be expected that the existing sales tax will be applied much more widely than at present.

The abolition of the so-called luxury taxes will be regarded with satisfaction by most people. There will be many to regret that the Finance Minister did not make the move a little earlier, for a very large part of the Christmas purchasing has already been done. The advice to "do your Christmas shopping early" is usually good advice. But this year those who disregarded it will profit by escaping the taxes which the earlier buyers have had to pay.

Did the German Emperor Desire War?

How far the German Emperor was personally responsible for bringing on the great war will perhaps continue to be a debatable question. The German system of government justified the world in holding him responsible in a degree that would not be thought of in the case of the head of a democratic country, even under monarchical institutions. No one who understands British institutions thinks of holding King George personally responsible for what is done in the name of the nation. In this democratic age the British King still retains a large measure of influence—an influence that is most wisely exercised by the present occupant of the throne—but real power rests in the Cabinet and Parliament, and these are properly held responsible for the policy of the nation. In Germany the royal