

# The Star in St. John

VOL. XII, NO. 227.

TWELVE PAGES

ST. JOHN, N. B., MONDAY MORNING, DECEMBER 20, 1920

COLDER

TWO CENTS

## Luxury Taxes Are Abolished Today

### CONFECTIONERY, LIQUORS AND CARDS ARE THE ONLY GOODS REMAINING TAXED

Sales Tax Remains in Full Force and Effect But All Luxury Taxes, Whether Paid by Merchants, Manufacturers or Importers, Have Been Cut off by Federal Government by Special Order-in-Council — Laurier Administration Acted Twice Under Same Powers.

Ottawa, Dec. 19.—The luxury tax is abolished. On and after tomorrow the tax, specially imposed last session, will cease to operate. The abolition applies to all luxury taxes adopted in the last budget except those on spirituous and alcoholic liquors, medicated wines, patent and proprietary preparations containing alcohol, lime and fruit juices fortified, spirits and strong waters, perfumery and toilet preparations, playing cards and confectionery. All luxury taxes, except those mentioned, are abolished whether paid by merchants, manufacturers or importers. The sales tax remains in full force and effect.

**Order-in-Council Action.**  
The government, in abolishing the taxes, has proceeded by order-in-council, passed under authority of section 92 of the Consolidated Revenue and Audit Act, which empowers the governor-in-council to remit any duty or toll.

The Laurier Government twice exercised the authority granted under the section; once in 1901 when the duty on seed wheat for farmers in the west was remitted, and again in 1917 when to meet a serious shortage of coal in the west, the customs duty was remitted on all coal imported at all ports west of Sault Ste Marie.

The same authority was exercised by the Borden Government in remitting the duty on cattle and tractors. The present order providing for remission of the luxury taxes as specified means that the taxes will not be collected on sales and importations made on and after tomorrow.

**Unemployment Decided.**  
The predominant reason for the step taken by the government, it is estimated, was the great unemployment in the industries directly and indirectly affected by the luxury taxes. The evidence on this point, it is stated, had disclosed a very serious state of affairs.

Many important industries are completely shut down, while others have laid off large numbers of employees due to lack of orders, a condition brought about largely by the idea generally held by the public that this method of taxation was intended to be of a temporary character, and must sooner or later be abolished.

**Public Steps Buying.**  
Having this idea in mind, the public had practically stopped buying, with the result that factories in many important lines could not operate and their organizations were seriously dislocated. It appeared to the government, therefore, that immediate action was necessary in the interests alike of employees, manufacturers and the general public.

Sir Henry Drayton, minister of finance, after exhaustive study of the problem, reached the conclusion that the purpose for which the taxes were imposed, namely, that of curtailing extravagance, reducing prices and causing people to reflect upon conditions and prices had been well attained and that it would be unwise in the public interest to continue the taxes, in face of the grave unemployment situation and in view also of the fact that conditions and prices are steadily becoming more normal.

**The Minister's View.**  
Sir Henry feels that the sooner business of all kinds can be stabilized and steered down to normal, the better it will be for everybody. He, therefore, considers it his duty to take prompt and extraordinary action, and in this case, to meet extraordinary conditions. He also had in mind, it is stated, the situation of merchants who, in many cases, were unable to stand up under the double burden of falling values of their stocks and luxury taxes.

### BRITAIN'S REPLY TO U. S. OIL NOTE IS ABOUT READY

Washington, Dec. 19.—Great Britain's reply to the recent note from the United States government protesting against the Anglo-French oil agreement will be delivered in a few days, the British Embassy has informed the State Department. Unofficially, officers of the department have been informed that every contention contained in the note prepared by Secretary Colby has been answered.

### MERCHANTS GLAD LUXURY TAX OFF; WILL AID TRADE

Many Business Men of St. John Predict New Buying by Public.

**CLAIM MEASURE RESTRAINED TRADE**

Joy Among the Merchants When Hon. Mr. Wigmore Wired News of Its Removal

The retail merchants of St. John were made happy when they received a wire from Hon. R. W. Wigmore on Saturday night, containing the announcement that the Luxury tax had been abolished on all articles, except matches, playing cards, confectionery and liquor.

Local merchants have been opposed to the measure because of the hardships it placed upon the purchasing public, as well as upon the retailer.

They carried on a campaign against it, put forth logical and substantial arguments before the tariff commission why it should be abolished, and are immensely pleased that their campaign has produced the desired results.

**Will Boom Trade.**  
The consensus of opinion of merchants in St. John show a hearty belief that a great stimulus will be given to trade by the removal of this tax, and that goods which have been resting on the shelves will now begin to move with satisfactory speed.

In many lines the tax, besides being a burden to the public, has proven a nuisance to the retailer. He has been obliged to employ extra help at the cash desks to figure up the tax on sales and keep accounts straight. Much time was lost in explaining to customers just where the tax came in, on what articles and why. In many cases customers were maddened and they left the store without making the purchases they sought. All is now erased out, and the merchants are joyful.

**Comment of Retailers.**  
A few of the merchants, seen by The Standard last evening, expressed themselves cheerfully over the news and could see a big boost for Christmas business this week.

Following are a few of comments heard:  
**A. Neil McLean.**  
manager for Schofield Bros. and president of the Retail Merchants' Association, said: "The removal of many ways to the depression in the tax will prove a wonderful thing for business. It should give an impetus to trade that will prove most beneficial to all classes. The tax has been hard to handle and obnoxious in every way. It was the worst strike ever clamped on the retail machinery of business. The Government may have been wise in its conception of the act, but the mark was overshot in its application."

**It has contributed, in my mind, to (Continued on page 2.)**

### IRISH-AMERICAN WOMEN INSULTING TO THE AMBASSADOR

Philadelphia, Dec. 19.—When Sir Auckland Geddes, the British Ambassador to the United States, arrived at a hotel here last night, where he was scheduled to speak at the New England Society dinner, he was greeted by 150 placard-bearers telling of the alleged conditions in Ireland during occupancy of the "Black and Tans." The placard-bearers were carried by women describing themselves as American citizens.

### Canadian Dollar in New York Breaks To Record Low of 84.50

Some Claim Figure is Artificial But Others Allege it is Due to Wheat Trade.

New York, Dec. 19.—The reaction that started late Friday afternoon in the foreign exchange market became more pronounced yesterday. Canadian exchange broke to a new low of 84 1/2. It was again insisted by some that the position is artificial but others expressed the view that it is the natural outcome of the Western States supplying the demand for grain and checking the movement from Canada.

### THIRTEEN DROWN AS LAUNCH GOES DOWN IN RIVER

Craft Was Carrying Twenty-One Persons to Church Service at Augusta.

### WOMEN AND BABES ARE AMONG VICTIMS

Vessel Was in Sight of Shore When Hole Was Found in the Hull.

Augusta, Ky., Dec. 19.—Thirteen persons were drowned in the Ohio River when the United States steam launch Margaret, spring leak and sank three miles below Augusta at six o'clock last night. Of the victims two were women and two babies.

The boat, which was used at the government dam at Ohio, was bringing a crowd of twenty-one persons to Augusta when the engineer, Henry Dukes, discovered a leak in the side of the craft. He started the pump to working but the water came in too fast.

### HOSPITAL ON SIGNAL HILL IS DESTROYED

Nursing Staff and Six Patients Driven Out by St. John's Flames.

St. John's, Nfld., Dec. 19.—An unusual beacon blazed on Signal Hill last night when the infectious diseases hospital was destroyed by fire. The building was used as a barracks in the days when St. John's was a garrison city but of late years has been converted into a lazaretto, for the housing of smallpox cases. A nursing staff and six patients were in the building when the alarm was given, but all escaped without injury.

### DIED ALONE OF HEART FAILURE

Robert J. McKiel is Found Dead in His Home in North Devon.

**GENEVIEW IS SALVAGED.**  
Yarmouth, N. S., Dec. 19.—The schooner Geneview, which was abandoned and set on fire in the Bay of Fundy on Friday was towed in here today by tugs. The after cabin and the stern of the vessel was badly burned. The fire has been extinguished. The vessel was abandoned near St. John.

### C. P. R. ANGUS SHOPS AT MONTREAL CLOSED

Montreal, Dec. 19.—Notices have been posted at the Angus Shops of the C.P.R. here that the works would be closed down from December 25 to January 14, for the annual overhauling of the plant. About 5500 employees will be affected by the shut-down.

### WORLD NEWS TODAY

**CANADA.**  
The Luxury Tax has been abolished beginning today. O. P. S. shops at Montreal are closed for two weeks, throwing 5,500 men out of work.

**NEWFOUNDLAND.**  
Hospital is burned at St. John's but nurses and eight patients escaped.

**SOUTH AMERICA.**  
An appalling earthquake is reported from South America; it was felt severely too in Japan and in Central Asia.

**THE BRITISH ISLES.**  
Cadet who murdered Canon Magner was violently mad with liquor at the time.

**UNITED STATES.**  
Thirteen persons were drowned in the Ohio River when a boat in which they were going to church sank.

**EUROPE.**  
France will withdraw her ambassador from Greece at once as a protest against the return of the ex-king.

**CELEBRATION.**  
Ex-king Constantine has returned to Athens; greeted there by huge crowds.

### CHEERING CROWD GREET'S EX-KING BACK IN ATHENS

Streets Packed as Former Sovereign Returns to the Greek People.

### KISSED THE HARNESS OF ROYAL HORSES

Visits the Cathedral, Then Goes to Palace and Reads Message to People.

Athens, Dec. 19.—Constantine's action of the Allied powers in 1917, and act of the Allied powers in 1917, and called back by the recent plebiscite to resume his former status, arrived in Athens today. He came into the city by train and was received at the Place de la Concorde.

Those who greeted the returning monarch included Queen Mother Olga, the regent and Princess Anastasia, wife of Prince Christopher.

**Thousands Cheer Him.**  
Constantine's train steamed into the Laurion station, about one hundred yards from the Place de la Concorde, without ostentation and with the returning monarch like an ordinary traveler. Constantine, however, was greeted by the cheering of thousands of persons who had been awaiting his arrival since nine o'clock in the morning.

**Queen Mother Olga and the Princess Anastasia, dressed in chinchilla furs and wearing picture hats to match, were standing in the royal group, welcome Constantine. The ministers also were present in the station.**

**Read Message to People.**  
In a carriage drawn by six horses with outriders and followed by troops, a procession with Constantine at its head started for the stadium. The crowd along the route evinced the greatest enthusiasm, frequently breaking out of bounds and rushing up and kissing the harness of the horses drawing the royal equipage. Wild cheering was heard along the entire line of march, the people being almost delicious with joy.

Attending the cathedral Constantine went to the royal palace, where he read a message to the people.

### DE VALERA DUE AT LONDON TODAY

London, Dec. 19.—The London Times correspondent at Cherbourg asserts that Eamon De Valera, "President of the Irish Republic," is aboard the Aquitania, due here tomorrow afternoon.

### CADETS TELL HOW PRELATE WAS KILLED

Auxiliary Policeman Who Shot Canon Magner Was Mad With Drink at Time.

### START PROBE INTO FIRES AT CORK

Unexploded Bomb and Big Stock of Guns and Explosives Found in Dublin.

Dublin, Dec. 19.—A lorry with military and police was ambushed Saturday morning a mile from Ennislinn, County Clare. Fierce fighting ensued, lasting several hours. Four soldiers and two policemen were wounded and some Lewis guns were captured.

**Cadet Violently Insane.**  
Cork, Dec. 19.—It was brought out by an auxiliary policeman at the military court which is holding an inquiry into the shooting of Canon Magner and Timothy Crowley at Dunamway, that Cadet Hart, who fired the shots, had been drinking steadily and that he was "absolutely mad" at the time.

The auxiliary policeman, who was in the car of which Hart was in charge, said Hart had stopped the car, got out, walked two hundred yards and addressed the civilian and searched his pockets.

The cadet, according to policemen, then assaulted the civilian, who later proved to be Timothy Crowley, a farmer's son, while presenting a revolver. He fired and hit man 311. Hart did not mean to shoot. Man while two other cadets stepped out of the car, but were waived away by Hart, who is declared to have snatched the priest's hat from his head, and throwing it on the ground made him kneel.

He fired twice, killing the priest. Afterwards he went through Canon Magner's pockets and scattered the contents on the road.

**Probe Cork Fires.**  
Cork, Dec. 19.—The military inquiry into the Cork fires and looting opened at the military barracks Saturday. It was strictly private, witnesses being admitted only one by one.

**Bomb in Dublin.**  
Dublin, Dec. 19.—A large unexploded bomb was picked up in Merrion Square Friday. Revolvers, ammunition, and other articles, including a dynamite were captured in a combined police and military raid on a rebel ammunition store at Templemore yesterday.

### WIRE FLASHES

Telegraphic News Condensed from Last Minute Messages for Quick Reading.

**Send Prisoners as Hostages.**  
Dublin, Dec. 19.—The general officer commanding the Kerry district has issued a proclamation that after December 20 "Irish Republican Army" officers and leaders in custody will be sent as hostages with all transport moving armed forces of the Crown by road in the martial law.

**Three Are Killed.**  
London, Dec. 19.—In the ambuscade of a lorry with military and police, near Ennislinn, County Clare, yesterday morning, three of the attacking party were killed and four wounded.

**Two Shot Dead.**  
Dublin, Dec. 19.—Two men who had been in the custody of the military in constabulary barracks at Cashel, Tipperary, were shot dead Saturday night.

**Airships Join D'Annunzio.**  
Rome, Dec. 19.—The Idea Nazionale says it learns from Zara that two Italian military airplanes have joined the forces of Gabriele D'Annunzio at Fiume.

**Organize 20,000 Police.**  
New York, Dec. 19.—Former Commanding officers of the army, navy and marine corps launched plans for an organization of 20,000 armed men to aid in curbing the epidemic of crime sweeping the city.

**Armen Still Missing.**  
New York, Dec. 19.—No reports from the three naval aviators who left the Rockaway, N. Y. naval station last Monday afternoon in a free balloon have been received yet.

### Britain Will Have Nothing To Do With The Ex-Greek King

France Will Withdraw Her Ministers from Athens Today is the Report.

London, Dec. 19.—The Government has decided to instruct the British minister in Athens to have no official relations with Constantine if it was announced yesterday. It was stated in official circles last evening that Great Britain was anxious to maintain coordinate action with France and Italy and that conversations concerning the situation were proceeding as late as last evening.

**France Withdraws Minister.**  
Paris, Dec. 19.—The French Foreign office announced last evening that the French ministers in Athens would leave the Greek capital today.

### CORK COURT IS RAIDED; ARREST ALLEGED BOMBER

Girl Walking on Belfast Street is Shot—All Civic Officials Searched.

**MORE STREET FIRING STARTED IN DUBLIN**

**Bishop of Cork Excommunicates All Who Ambush Crown Forces in His See.**

Belfast, Dec. 19.—The Court House at Cork was raided yesterday by Crown forces. Officials of the County Council and of other bodies occupying the building were held up and searched. No arrests were made, however.

While walking along Bridge street, in Cork, during the day Nancy O'Sullivan, a girl whose home is on St. Finbar's Road, was shot in the leg. There is no clue to the person who inflicted the injury.

**Had Bomb and Revolver.**  
Dublin, Dec. 19.—A stranger who said he was from Galway was arrested last night in the Central Hotel here which has been used for Officers' quarters since the assassinations last month. The man had a bomb and a revolver in his pockets. During his removal to Dublin Castle there was street firing during which one man was wounded. It is not known whether he was associated with the prisoner.

**No Church for Ambushers.**  
Cork, Dec. 19.—The decree authorized by Monsignor Daniel Cohanlan, Bishop of Cork, excommunicating anyone participating in further ambushes of Crown forces in his diocese, was read at each Mass in the churches of Cork diocese today. In the congregation left the church amid considerable confusion when the decree was read. Bishop Cohanlan, gave notice a week ago of his intention to issue the decree.

### UNEMPLOYMENT BOARD MEETS AT OTTAWA DEC. 27TH

Labor, Capital and Soldiers to Plan Together for Common Good.

Ottawa, Dec. 19.—The meeting of the executive of the employment service council of Canada to consider unemployment problems will take place in Ottawa December 27 and 28. W. B. McCoy, K. C., superintendent of immigration for the Province of Nova Scotia and chairman of the executive will also be present, if possible.

**All Parties There.**  
At the meeting there will be representatives of the Trades and Labor Congress, the Canadian Manufacturers' Association, returned soldiers, and also representatives of some of the provincial governments. The department of the Soldiers' Re-establishment, and probably other federal departments will also be represented. There is no specific programme for the meeting, but unemployment problems will be discussed and a conference held with the minister of railways.

### MANY OUT OF WORK

London, Dec. 19.—An official representative of the Ministry of Labor stated on Saturday that provision would have to be made for 225,000 unemployed for the coming nineteen weeks.

### HUNDREDS DIE WHEN QUAKES SWEEP SOUTH

South America and Japan Centres of Biggest Disaster in Many Years.

### RUSHING HELP TO STRICKEN VILLAGES

Central Asia May Have Been Centre, Too, of Another Catastrophe.

Buenos Aires, Dec. 19.—Earthquake shocks which on Friday afternoon destroyed several towns along the Argentine slope of the Andes Mountains were the most severe experienced in the country since 1869 when half of the city of Mendoza was laid in ruins.

Reports from the area where the shock was heaviest indicate great loss of life and property, upwards of 150 bodies having already been taken from the wrecks of buildings.

**Hundreds Are Dead.**  
At Tres Ortenis more than 100 perished, and at Costa De Arenjo thirty more were killed. It is feared that more victims are as yet buried under the ruins in each town. At Tres Ortenis, La Valle and La Central not a single house was left standing and those not destroyed were left in a badly damaged condition. No estimate of the number of persons injured has as yet been made.

Minor shocks continue throughout the district, one particularly strong tremor being felt yesterday afternoon at 8 o'clock in the towns of San Martin and Rivadavia. The people are reported as being panic stricken.

**Mendoza is Shaken.**  
The city of Mendoza was shaken, but did not suffer any extensive damage. In the town of Costa De Arango the seismic convulsion opened great crevices out of which hot water is spouting. The water from one of the geysers reached a height of about fifteen feet and formed a pool in which two persons were drowned. A Red Cross ambulance has reached the village and set to work to rescue any sufferers, who may still be alive in the ruins.

**Fear Final Figures.**  
More than 20,000 persons inhabit little villages along the eastern Andean slope, and as reports continue to add to the long list of casualties, apprehension is felt that the final figures will be very high. Rescue parties have been sent out from Mendoza, but details from the scene of the disaster are meagre, as telephone and telegraph wires are badly disorganized.

The earth tremor movement during the tremor was from the north west to south east, and a number of small shocks followed the principal concussion, which lasted thirty seconds.

**Violent in Japan.**  
Tokio, Dec. 19.—The most violent earthquake that has occurred since seismographic observations commenced in Japan took place Thursday evening at 5:11 o'clock. The vibrations lasted two hours and were so severe that the instruments were unable to give perfect records. It is believed the convulsion took place under the Pacific Ocean or in the Globe Desert, Central Asia.

### FORMER BANKER SENT FOR TRIAL

Charged He Stole Victory Bonds Worth \$45,000 from Merchants' Bank.

Vancouver, B. C., Dec. 19.—John Stanley Bancroft, formerly assistant manager of Granville street branch of the Merchants' Bank of Canada, has been committed for trial by Magistrate Shaw in police court on charges of theft of \$45,000 in Victory bonds, from the bank, making false entries and conspiracy. At the same time Phil Gerwurtz, president of the Gerwurtz Lumber Company, was also committed for trial on charges of conspiracy and making a false statement with the purpose of securing credit from the bank.

### ENGINEERS SURVEYING ROADS NEAR GAGETOWN FOR NEXT YEAR'S WORK

Gagetown, N. B., Dec. 19.—A party of Government engineers, under their head engineer, Paul E. Porter, of Antigonish, have been surveying the roads from Otisburg to Gagetown, in preparation for next year's work on the roads. Operations on the road between Gagetown and Otisburg, which have been carried on during the summer by J. Willard McMillan, of Upper Gagetown, were concluded some weeks ago.