

IMPORTS.
VII.—JAPAN

Year.	Dutiable.	Free.	Total.
1909.....	\$ 741,925	\$1,243,943	\$1,985,868
1910.....	965,903	1,215,333	2,181,238
	+ \$ 223,978	- \$ 28,610	+ \$ 195,370

EXPORTS.

Year	Home Produce.	Foreign Produce.	Total.
1909.....	\$ 756,033	\$ 78	\$ 756,111
1910.....	650,063	1,404	660,457
	- \$ 196,980	+ \$ 1,326	+ \$ 95,654

TOTAL TRADE.

1909.....	\$ 2,741,979
1910.....	2,841,693

Increase..... \$ 99,714

VIII.—UNITED STATES.

IMPORTS.

Year.	Dutiable.	Free.	Total.
1909.....	\$ 90,584,507	\$ 89,442,043	\$180,026,550
1910.....	118,834,173	104,667,636	223,501,809
Increase....	\$ 28,249,666	\$ 15,225,593	\$ 43,475,259

EXPORTS.

Year.	Home Produce.	Foreign Produce.	Total.
1909.....	\$ 85,334,806	\$ 7,269,551	\$ 92,604,357
1910.....	104,199,675	8,951,103	113,150,778
Increase...	\$ 18,864,869	\$ 1,681,552	\$ 20,546,421

TOTAL TRADE.

1909.....	\$272,630,907
1910.....	336,652,587

Increase..... \$ 64,021,680

IX.—SUMMARY TABLE OF TOTAL FOREIGN TRADE.

	1909.	1910.
Belgium.....	\$ 5,829,033	6,134,890
France.....	11,373,531	12,750,192
Germany.....	7,526,917	10,436,421
Italy.....	2,382,112	1,722,971
Japan.....	2,741,979	2,841,693
United States.....	272,630,907	336,652,587
	\$302,484,479	\$370,538,754
Other Foreign Countries....	22,893,536	29,490,288
Total Foreign Trade....	\$325,378,015	\$400,029,042

BEARER BONDS AND THE LONDON MARKET.

An interesting suggestion upon the much discussed subject of the comparative failure of some recent Canadian flotations on the London market and one, also, which has the merit of novelty is contributed by our well-known daily contemporary the London Financial News. That journal takes the specific case of the recent City of Vancouver loan for £453,600, which, as the London correspondent of THE CHRONICLE stated last week, had to be taken up by the underwriters to the extent of 70 per cent. The Financial News agrees that the conditions of the loan were quite favourable for the class of investor who requires a colonial corporation stock. "The issue is not too large, the bonds have forty years to run, and the yield (just under 4 per cent.) is satisfactory, while the security is sound." What then was the objection to the issue?

Our contemporary gives the following explanation:—

"The objection to this stock, in the eyes of many investors, lies in five words near the top of the prospectus, which read as follows: "The stock will be registered—." The sentence continues: "—and transferable by deed, in multiples of £1, at the counting house of Messrs. Brown, Shipley & Co., Founders-court, E.C., where the principal and interest will be payable."

When the stock is transferred by deed in Great Britain, it becomes, of course, subject to British stamp duties, and Messrs. Brown, Shipley & Co. are obliged, by law, to deduct British income tax before payment of interest, whether the holder of the stock is liable to assessment for income tax or not.

The bearing of the point made by the Financial News with regard to this Vancouver loan, becomes more evident when it is remembered what the attitude is of the British investing and monied classes towards the existing income tax. By the Finance (1909-10) Act, 1910, that tax is fixed at 1s. 2d. in the £ upon all "unearned" income with a super-tax upon incomes of £5,000 and upwards which makes the tax about 1s. 8d. in the £. That steps are being taken by many people to avoid this heavy tax there can be no doubt. Our London correspondent, in THE CHRONICLE of June 10, gave particulars of a specific plan, now being organized upon a considerable scale, for the placing of securities outside the reach of the income tax collector—this particular plan having been pronounced legal by Sir Edward Carson, a former Solicitor General. In many other ways there is little doubt, wealthy English people are taking steps to avoid the tax. That they can do so with comparative ease is shown by an answer made by Mr. Lloyd George, Chancellor of the Exchequer, to a question upon the subject addressed to him in the House of Commons. He said:—

"Under the Finance Act, 1910, an individual is not required to include in his statement of income for the purpose of assessment to super-tax, income derived from capital invested out of the United Kingdom, which is not at any time received or brought or remitted into this country."

As the Financial News points out, had the Vancouver issue been in the form of bearer certificates, with coupons payable outside of Great Britain, it would have come within the category of the stocks eligible for investors who desire to take advantage of this loop hole in the English income tax system. Being a colonial security tax need not be paid upon the income derived from it so long as that income is not received in England. Moreover, the bearer certificates have the advantage of being transferable from hand to hand, without a penny of transfer duty being paid upon them, since no one other than the parties making the transfer need know of the transaction.

That in the natural course of events a good deal of the British capital which is seeking to avoid income tax will come to Canada, there can be no doubt. Steps have already been taken to encourage it here. But there appears no reason why that capital should not if it so desires have the opportunity of going into the highest class of municipal stocks, as well as industrial and similar