

COLONIES (ESTATE DUTY).

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LETTER

FROM THE

HIGH COMMISSIONER FOR CANADA

RESPECTING THE

APPLICATION OF ESTATE DUTY TO PERSONAL PROPERTY  
SITUATE IN THE COLONIES.

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The HIGH COMMISSIONER FOR CANADA to COLONIAL OFFICE.

(Received July 2, 1894.)

Victoria Chambers, 17, Victoria Street, London, S.W.,  
June 30, 1894.

SIR,

REFERRING to the joint communication of the Agents-General and myself to the Marquess of Ripon, dated the 12th instant,\* I have to acquaint you, for the information of his Lordship, that the Chancellor of the Exchequer was good enough to receive us on two occasions, when he discussed the subject of the memorial with us, and, as you are aware, subsequently modified the proposals which he had made in the Finance Bill as to the imposition of death duties on property in the Colonies belonging to persons domiciled in this country.

While acknowledging the great courtesy of the Chancellor of the Exchequer in his communications with us, and his evident desire to meet, to some extent, the objections which we had raised, I feel it my duty to call the attention of the Secretary of State for the Colonies to the present position of the question.

In due course I sent a telegram to the Prime Minister of Canada, informing him of the modified proposals of the Chancellor of the Exchequer. This communication has received the very careful consideration of the Government of Canada, and I have this morning received from Sir John Thompson the following telegram as the result.—

“ Council is of opinion that strong opposition should be made to proposed policy of levying death duties on property in Canada even with the amendment proposed.”

I beg, therefore, to again invite the attention of the Marquess of Ripon to what I cannot but consider a very important question. The modifications proposed by the Chancellor of the Exchequer, if enacted by the Imperial Parliament, will undoubtedly result in the death duties in all the Colonies being increased to the same amount as the proposed estate duties, and, consequently, no revenue will be derived from their operation upon property in the Colonies. But while the proposed legislation will thus fail in providing revenue for the Imperial Exchequer, it will be attended with very grave and serious objections from a Colonial point of view. In all the Colonies where the death duties are now lower than they would be under the proposed Bill the Governments, in proposing increased taxes, will no doubt explain that it is forced upon them by the Imperial Act, and the responsibility for this increased taxation will fall upon Her Majesty's Government, with the result of endangering that loyal devotion to British institutions which now exists throughout the Colonies.

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\* [C. 7433], June 1894