

MAKING UP THE DEFICIT.

Lloyd George's British Budget Increases Taxes.

Income Tax Higher and License Fees Higher.

Many Social Reforms Outlined—Stock Exchange Hit.

London, May 3.—Mr. David Lloyd-George's budget, which was presented to the Commons to-day, doesn't affect the British taxpayer merely. It has an interest for all the world, as an evidence on a disposition on the part of the British Government to push the doctrine of State aid to limit hitherto considered outside the domain of practical politics in this country. It is domestic in the incidence of its taxation, but it is of world-wide importance in its legislative proposals. Mr. Lloyd-George's speech took four and a half hours in actual delivery, and when he sat down, exhausted, there was a conspicuous absence of that cheering which usually rewards the great annual effort of the British Chancellor of the Exchequer. The House sat silent. The budget proposals for 1909-10 had taken its breath away.

SOCIAL REFORMS FORESHADOWED.

The social reforms which Mr. Lloyd-George seeks to introduce in Britain are based, in the main, on German experience, though the idea of setting aside £100,000 for labor exchanges for both skilled and unskilled labor is borrowed from France. There is to be a State insurance against loss of employment. The Board of Trade is developing a scheme under which only deserving workmen out of work will benefit. A vast scheme was outlined by which the State will aid in the development of natural resources, and a definite proposal was made to grant £200,000 to start afforestation, and the reclamation of waste lands and the encouragement of small agricultural holdings.

RECAST OF THE FISCAL SYSTEM.

The new taxation, by which the estimated deficit of nearly £16,000,000 is to be made good, is the most comprehensive recast of the British fiscal system since the first free trade budget over sixty years ago. The Chancellor's proposals embody almost the scheme which have been advanced in radical programmes for the past twenty years. The list includes a super-tax on incomes of over £5,000, a tax on mining royalties, a tax on urban undeveloped land, a tax on unexploited minerals, a tax on the unearned increment in land, increased death duties, and a tax on stock exchange speculation. The whiskey duty is increased by one-third; the tobacco duty is increased eight pence per pound; there is also an increased tax on motor cars.

Fearing that the tax on tea and sugar would be increased, the importers of these commodities have been rushing huge quantities out of bond lately, but there is no new taxation in this direction. "We ought to avoid taxes on the necessities of life," said Mr. Lloyd-George in his speech.

The Stock Exchange received the news that the taxation of all its transactions will be practically doubled with dismay and indignation. One of the principal brokers said the new duties would drive much of the business to Paris. A member of one of the leading foreign bond-issuing houses in London said the tax on bonds would be disastrous, and foreign Governments might find it advisable to make the whole of their issues in Paris instead of part in London and part in Paris as at present.

PRACTISED WHAT HE PREACHED. Motor manufacturers, brewers and distillers are naturally loud in their lament. William Harris, Chairman of the Charlton and Ritz Hotels, said: "The licensed trade cannot possibly bear any more taxation. The ordinary share capital employed in the large hotels in London doesn't today return more than three or four per cent."

Commentation for Mr. Lloyd-George comes from the Labor party, one member of which said: "The Chancellor kept faith with the nation. He has practised what he preached." The Conservative papers call it an amazing budget.

INCREASE IN INCOME TAX.

Mr. Lloyd-George proposed to provide the necessary additional revenue as follows: By reducing the amount placed in the sinking fund by £23,000,000, and by a revision of the income tax and estate duties. The tax on unearned incomes will be increased twofold to one shilling and twofold in the power, and the tax on earned incomes over £2,000 will be raised to one shilling. Persons earning under £500 a year are granted a special new abatement of £10 for every child under sixteen years of age. On incomes exceeding £5,000 a year there is to be a super-tax of six pence in the pound. It is estimated that the extra yield from the income tax will be £2,000,000, while the super-tax is expected to bring in a full year, £12,500,000. But the income from this source is estimated for the current year at only £5,000,000.

DEATH AND STAMP DUTIES.

With regard to the death duties the minimum and maximum rates remain unchanged, but there will be an increase in the intervening scale estimated to yield an additional revenue of £2,550,000. It is estimated that a revision of the legacy and succession duties will produce an additional revenue of £1,370,000. Another proposal is a increase on a sliding scale of the stamp duties on share transactions, estimated to yield an extra £1,400,000.

The alterations in the stamp duties include the increase from ten shillings to twenty shillings on the transfers and sales of property, including the methods of disposing of property usually adopted with the object of escaping the death duties. There is a similar in-

crease in the rate for the transfer of "bearer" securities, except colonial and Government issues, while the stamp duties on the transferring of other stocks and shares are raised to sums varying from sixpence to two shillings. Two shillings will be charged for a transfer of an aggregate value between £500 and £1,000, while two shillings more are added for every additional £1,000.

LIQUOR LICENSES INCREASED.

The liquor licenses are increased, and from this source it is estimated that the additional revenue will amount to £2,600,000. Another proposal is to tax land values and mineral royalties. It is estimated that these will yield this year £3,800,000, and increase annually. It is intended that the tax on land values shall be twenty per cent. on future increases. Tea and sugar remain unchanged. The increase in the duties on spirits, with a customs excise of 45 pence per gallon, is expected to produce additional revenues of £1,600,000. It is proposed also to increase the duty on manufactures from three shillings to three shillings and eightpence a pound, and to make an equivalent addition to the duties on cigars, cigarettes and manufactured tobacco. Together these sources are expected to yield a total revenue of £1,500,000 a year.

DEPENDENCY ON THE LORDS.

London, May 3.—Accumulated wealth and "the trade" which the liquor business is popularly called, are, in the budget presented to the House of Commons to-day by Mr. David Lloyd-George, made to bear the burden of the £15,702,000 (£18,810,000) deficit of the fiscal year incurred by the old-age pensions and the race with Germany for Dreadnoughts.

"Socialism and confiscation" the wealthy classes already are crying, and a few are clutching at the prospect that the House of Lords, which represents these classes, may throw out the budget entirely, but this is improbable.

OPPOSITION COMMENT.

The first comments of the members of both parties indicated astonishment at the number and the sweeping nature of the changes in the country's financial system. "Sir Frederick George Buxton termed it during the course of a speech in which he declared that the new budget included every bad on the face of the earth."

The Chamberlain denounced it for imposing so large a proportion of the nation's burdens on a few people by different devices. John Redmond, leader of the Irish party, asserted that the whiskey tax imposed another burden on Ireland which the Nationalists would resist by every means. The increase in the tax on tobacco, he declared, would be a cruel hardship to the poor of Ireland.

THE CHANCELLOR EXHAUSTED.

The delivery of the budget speech was marked by an unprecedented incident. After speaking for three hours the Chancellor showed evident signs of exhaustion, but pluckily declined Premier Asquith's whispered suggestion that he take a rest. So far, however, his voice growing continually weaker, the Chancellor was obliged to ask the indulgence of the House, which adjourned for half an hour. On resuming his speech Mr. Lloyd-George showed decided improvement, but when he finished he sank into his seat, greatly overcome by the unusual strain.

WAS MURDERED.

Coroner's Jury Verdict on Death of Mary Smith.

Toronto despatch: That Mary E. Smith came to her death at St. Michael's Hospital on April 17 from tuberculosis "induced by injuries feloniously, wilfully and of malice aforethought inflicted by one Saul Gouin at Cobalt on or about Nov. 12, 1908," was the verdict returned by the coroner's jury last night after having been out for about twenty minutes, at the third session of the inquest, which had been conducted by Coroner Skirris of Cobalt, had been assaulted with a hammer by one William Smith, with another woman living in a house on the out-axe. The other woman was less seriously injured and recovered. The deceased, who had been beaten over the head most brutally with an axe, was taken care of for a while in Cobalt, then was brought to Toronto, where in St. Michael's Hospital, she died on April 17. As Gouin, who is now being held in North Bay, on a charge of murder, was said to have admitted having committed the assault, the evidence taken last night was only such as to show the cause of the woman's death.

GOVIN MAY RETIRE.

Intimates That Course When Ungava Is Annexed.

Montreal, May 3.—A statement made by Premier Gouin during the debate on the annexation of Ungava, which generally escaped unnoticed at the time, is being taken up by many members of the legislature as being of special significance. He said: "I am looking forward with keen anticipation to the consummation of the project of the annexation of that great and fertile country, after this has been accomplished, I shall be able to withdraw, happy in the consciousness that before doing so, I have made my province larger and happier."

SANK IN WHITEFISH BAY.

Unknown Steamer Went Down—Crew Escaped on Ice.

Detroit despatch: A Free Press special from Sault Ste. Marie, Mich., reports the sinking of an unknown steamer, about 400 feet long, in Whitefish Bay to-day. Captain Boyce, of the steamer George W. Peavy, reported that the crew of the unknown steamer were seen walking over the ice to another vessel which had been caught in the ice.

STORK VISITS HOLLAND'S PALACE

Queen Wilhelmina Gave Birth to a Princess—Dutch Gone Wild With Delight.



QUEEN WILHELMINA AND HUSBAND.

The Hague cable: Queen Wilhelmina gave birth to a daughter this morning. The condition of Her Majesty is most satisfactory; the infant princess is doing well, and Holland is celebrating the happy event from one end of the country to the other with expressions of joy and gratification such as seldom before have been witnessed on the part of this happy people. The political significance of the occurrence lies in the fact that there is now an heir to the throne of the Netherlands, a circumstance that very greatly enhances the chances of the country for continued independence.

Every town and village in Holland is to-day celebrating the long-awaited birth of a child to Her Majesty with demonstrations of satisfaction. The Queen was married to Prince Henry of Mecklenburg-Schwerin on Feb. 10, 1901. On two previous occasions the hopes of the people for an heir to the throne have been disappointed, a fact that makes the rejoicings of to-day all the more heartfelt. Here in the capital, in spite of the heavy downpour of rain, the streets are gaily decorated, and great crowds are passing to and fro, showing their gratification. The people read eagerly the special sheets issued free by the newspapers announcing the happy event.

The announcement occurred at 7 o'clock. Owing to the early hour the contemplated salute was not fired, and the first persons outside the royal palace to hear the news were a party of workmen passing the residence of the Queen on their way to work. The men at first refused to believe the announcement, but they were soon convinced, and the cheers they raised were the signal for the general rejoicings. Flags and bunting that had been held in readiness were unfurled, and the city quickly took on holiday attire. Prince Henry immediately telegraphed his mother, advising her of the happy event, and adding that the condition of the Queen was most satisfactory. Heralds accompanied by trumpeters in ancient Dutch dress made the rounds of the city, calling out the princely squares and other suitable spots to make, after due formalities, the following proclamation:

"Fellow citizens, with great joy we announce the news that Her Majesty, by the grace of God, has been delivered of a princess. The entire population of the Hague shares the feelings of deep joy of the Dutch people, and is thankful for the blessing bestowed upon the royal house and upon the country. May the happy event strengthen the bonds uniting the Netherlands and the House of Orange. Long live the Queen, long live the Princess of Orange."

At the palace everything is quiet excepting at the entrance hall, which is crowded with people eager to sign the roll of congratulations. The Belgian Minister to the Netherlands, who is the dean of the diplomatic corps, was the first to sign the list. He was followed in quick succession by the other diplomatic representatives. "Well, not particularly. It is, of course, delaying the growth but is doing little real harm. The winter wheat and clover crops are, of course, backward as a result of the weather, but they are in good shape, and this storm should not damage them to any serious extent. If the weather is to be cold, the snow is even a protection to the winter crops." Prof. Zavitz then expressed the hope of the agriculturists throughout the Province that the weather may change to something more reasonable and help on the belated season and the retarded crops.

VARIETY AT CHATHAM. Chatham despatch: A combination blizzard and thunder storm hit Chatham last night. Snow fell to the unusual depth of more than four inches, but changed this morning to rain, which rapidly dissolved the white stuff. The snow was accompanied by a thunder storm of exceptional violence. The tower of the Collegiate Institute was struck by lightning, setting it on fire and causing considerable damage.

FRUIT TREES IN DANGER.

Niagara Falls despatch: For this time of year a very severe snowstorm occurred to-day, three inches of snow falling, and the storm was fierce, with a stiff east gale from early morning, and the temperature about freezing. The snow ceased falling about 6 o'clock, but the wind continued. Several thunder-claps this afternoon added a strange feature to the storm. The recent mild weather had brought on the budding of the fruit trees, and if the freezing weather continues much harm will be done. Seeding operations will be delayed.

SLEIGHS AND CUTTERS OUT.

Woodstock despatch: As heavy a snowstorm as Woodstock saw all last winter commenced last night and is still raging this morning. Scarcely a foot of snow has fallen, driven westward by the high wind, and sleighs and cutters are to be seen on the streets. The old inhabitants say they never saw anything like it before at this late period of the spring.

CITY HALL WAS INJURED.

Petrol despatch: This morning early a bad snow and lightning storm struck the town, damaging the City Hall and putting the town clock out of business. The fire brigade soon extinguished the flames. The building is insured.

TRAINS DELAYED BY STORM.

Tillsonburg despatch: There was a very heavy snowfall here during the night, and this afternoon the ground in and about the town is covered with snow to a depth of ten or twelve inches, and sleighs and cutters are in use. The morning trains on the G. T. R. and M. C. R. were delayed by the snow.

JOS. PHILLIPS.

Toronto despatch: T. C. Robinette, K. C., went to Ottawa last night to see Hon. Mr. Aylesworth, Minister of Justice, with reference to the case of Walter Rhymer, who has been sentenced to be hanged for the murder of his wife at Agincourt. While he is there he will also present a petition for the release of Joseph Phillips, of York County, loan lama, who has served two years of his sentence. "The petition for his release has been very widely signed," said Mr. Robinette, "and I hope the Minister of Justice will grant him his release on parole."

THE MINERS.

A Three Years' Agreement Signed at Philadelphia.

Is Practically the Same as the One Signed Three Years Ago.

Philadelphia, May 3.—Peace between the mine workers and operators in the anthracite coal regions of Pennsylvania is assured for another period of three years, the agreement continuing in force until March 31st, 1912. The award of the Anthracite Coal Strike Commission was signed in the board room of the Reading Company here to-day by the committee of seven on behalf of the mine owners and a similar committee representing the workers. With the expectation of five added stipulations suggested by the miners, the agreement is identical with the one signed in New York three years ago. The Mine Workers' Union is not officially recognized, the members of the miners' committee simply signing the agreement "on behalf of the representatives of the anthracite mine workers." The conference was a harmonious affair and ended with everybody happy. Following the conference, R. S. McCullough, National Vice-President of the union, who represented President Lewis, said the concessions made by the operators were not as great in the general rejoinings. Flags and bunting that had been held in readiness were unfurled, and the city quickly took on holiday attire.

THE BIG STORM.

TOWER OF CHATHAM COLLEGE STRUCK BY LIGHTNING.

Petrolia Town Hall Also Struck and Clock Stopped—Railways Tied Up in Various Sections and Trains Delayed.

Quelph despatch: The snowstorm of to-day, from the agricultural standpoint, is the climax to one of the most backward spring seasons in many years. Once in the twenty years' experience of Prof. Zavitz, head of the experimental department of the Ontario Agricultural College, has there been such retarded growth in spring, and the conditions of to-day are unique in that period of time. Seeding at this time of the month of April should be well under way, and now it has hardly been started, while the prospects are for a still further delay.

The other season, which compared with this was some years ago, when the seeding did not commence until the first of May. This year promises to be little, if any, better," said the professor, but he did not by any means take a pessimistic view of the crop outlook throughout the Province. "The weather for the next few weeks," he explained, "has more to do with the conditions than the cold weather of the past. On the occasion of the other late season, when seeding commenced the first of May, it was feared that there would be no crops at all, but the weather became fine and warm and the crops were quite up to the average. I confidentially hope for the same condition of affairs this summer."

STORM NOT HARMFUL.

"Is the snowstorm to-day doing any harm?" he was asked. "Well, not particularly. It is, of course, delaying the growth but is doing little real harm. The winter wheat and clover crops are, of course, backward as a result of the weather, but they are in good shape, and this storm should not damage them to any serious extent. If the weather is to be cold, the snow is even a protection to the winter crops." Prof. Zavitz then expressed the hope of the agriculturists throughout the Province that the weather may change to something more reasonable and help on the belated season and the retarded crops.

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AWFUL FIRE IN NEW YORK.

Eight Persons Burned to Death in Black Hand Blaze.

Tenement Fired Because \$1,000 Was Not Forthcoming.

Police Clubbed Men to Save Women and Children.

New York, May 3.—Eight persons five of them children, were burned to death and fourteen others were injured, some of them fatally, in an incendiary fire in a five-story tenement house at 37 Spring street, occupied by twenty Italian families, early to-day.

The blaze followed a demand by members of a so-called Black Hand Society for the payment of \$1,000 blackmail. It spread through the building with startling rapidity, as the hallways were soaked with kerosene oil by the black handers.

In a panic which followed the alarm the tenants fought their way down the fire escapes or jumped from the windows, while babies were thrown from windows into the arms of policemen on the sidewalk. The dead Anna Debonis, aged 5 years; Frank Debonis, aged 2; Antonette Debonis, aged 5; Dominick Puzelli, aged 22; Consolida Puzelli, aged 20; Stephen Debonis, aged 2; an unidentified man and an unidentified boy.

Of the injured, six of whom three are children, are not expected to recover.

Joseph Bruck, the proprietor of a grocery store on the main floor of the building, received on April 18 a letter reading:

"We demand \$1,000 or death. Bring it in Monday street. If you do not, we will kill you. The Black Hand lives. (Signed) Black Hand Society."

On Monday last Bruck received another letter written in a similar strain and turned both letters over to the police.

The alarm was spread by the firing of a volley of revolver shots from the windows of the burning building. Policemen who, responding, burst in the main door, found the hallway saturated with kerosene and blazing fiercely. Two half empty cans of kerosene were on the stairs. The frightened tenants fled to the roof, and now it has hardly been started, while the prospects are for a still further delay.

ARE SAFE.

Missionaries and Mission in Adana and Hadjin All Right.

Russian Relief Force at Tabriz and Succor People.

Boston, May 3.—A cable announcing that order had been restored in Hadjin and Adana, in Asia Minor, was received from Rev. W. W. Peet, treasurer of the American Board of Commissioners for foreign missions in Constantinople, as the American board's headquarters is this city to-day.

The cablegram lifted a great weight of anxiety from the shoulders of the board officials, inasmuch as the situation in Hadjin and Adana had been considered most perilous for the past two weeks. According to the despatch all the missionaries and the missions are safe.

FOOD FOR STARVING.

Tabriz, Persia, May 3.—The advance guard of the Russian expedition under Gen. Surovsky that left Jaffa on the frontier, a few days ago to relieve the beleaguered city, entered the gates this morning. It brought supplies for the starving people. Its progress was contested, but not seriously.

HEAVY FINES.

Harrisburg Young Men Paid Dearly For Their Fun.

Brantford despatch: Eight Harrisburg young men were mulcted \$90 in fines by Magistrate Livingston as a result of the series of disturbances reported in that village. The defendants were charged with assaulting an elderly man named Joseph Kishit. The penalties which were imposed were: William Kay \$25, Edward Dargie \$25, T. Van Sickle \$5, C. Patten \$10, W. Brock \$5, Joseph Recks \$5. Magistrate Livingston inflicted heavier fines on those who had been called to assist the old man in repelling his assailants, and who on their arrival turned out to be worse than the original offenders. The old man was dragged by the heels from door to gate way, a rope was put around his neck his horse taken out and his property damaged. The defense alleged that he was an objectionable character in the village, but the Magistrate did not uphold this contention. The attacks were made on three occasions, and a number of younger defendants were allowed to go.

LIVE STOCK BURNED.

Salem, Ont., despatch: The barn of John Barber here was struck by lightning this morning at two o'clock and burned to the ground, together with 45 head of cattle, 6 horses and some sheep. The fire was so rapid nothing was saved. Loss about five thousand dollars. Insured for small amount.

"I do not understand shaking his head. 'He said it was an 'Ah, yes! I remember 'He was so anxious on the landlord; 'an would be before you reminds me that he give you with the p ease he should be have given you the p doubt, I had almost i dare say it would much, since you have 'He handed Aubrey el to him in the han familiar enough in sp ity and tremulous ch it in his pocket, to r nument to himself. else that was said, an igger to read."

"He was only slightl no doubt that the not thing to say about packet, and the p doubt, and some th episode in the life of broke the seal, and i "My Dear Aubrey, ing, and that fact has repenances, but to a wrong I have sided o "Poor fellow," mur have no doubt he h misdeeds to answer f been poisoning. people here that poison by mistake. don't have said it in o closer might not be a without your consent, you—forego my rev of your good name."

"What can he mean bony. 'The wiles rath I do not understand o "I write this so it in case I die befor pocket of papers will with this which will e I the wrong which b blame no one for my burst could not have had not been ready fo I will not attempt thing here—the paper everything. They wile e I could who the Margi ly was, for all I kno the letters of Hawke miss. It was a wro the whole affair, and played her part with ity. I only know that ed me to prevent my the profits of our joir "I know you will d I could see that you la her; but if you will r the package, you will k ouring an adventure write to more."

"The words had bee the last. He could not believe the words, bu seemed to read it with difficulty that he the end. "Lucie an adventures murderer! Loftus was He thrust the letter and went out into the coolness of it might right. Of course, the but that poor Loftus letter in the pocket of a letter. Well, it is to open the packet, and He would softly up at she would be asleep, and disposed with. So taken care to unlock the lamp was burning low light enough for him t ly beautiful she was t ly innocuous."

Lucie an adventures laughed aloud at the l wife, and he was growb ally mad worship of sweet sea. He had in persuading himself, packet and carry it d Surely the letters coul They might wait, but him to have the disgar and disposed with. So taken care to unlock the lamp was burning low light enough for him t ly beautiful she was t ly innocuous."

The house was quiet hera of the servant o their activity and soli was enough. They were was a light in the par sad down by it and tore The letters had evid fully arranged; for th and laid alternately, so the handwriting of Hi next one in a feminine bry had never seen be not fully awake."

"I beg pardon, milor! fast so early!" It was gray dawn and rants had touched Aub the table in the parlor, and looked up at the t drew back with a cry of handsome, debonaire face bry was white and start "You are ill?" said t "No," was the answer another word, Aubrey's letters from the table a his pocket. Then he arose and entered his room, but le on the night before, an and opened her eyes. Sh stant she recognized him not fully awake."

"Get up!" he said, ste She started up from awoke now, and start light was too dim to see she could not catch the e