A small loan we are told is required by the Government of the Province of Quebec, sought to be obtained by the sale of 4½% gold bonds issued in the usual way. One of the inducements held out to investors is that these bonds are not subject to the duties imposed by the Province under the Succession Duties Act.

Whilst there are objections to the principle of this tax, and innumerable difficulties and much injustice in its collection, it is generally received as a wise and desirable mode of raising revenue. This being so, there should be nothing done by the Government to neutralize what is claimed to be beneficial by making an exception which militates against the main intent of the tax, for the purpose, or, at least, with the result of benefiting those who can afford to invest large sums of money, and be free from the burden which others have to bear.

It is true that every citizen in a Province derives a benefit from the fact that his Province can borrow money for public purposes at a low rate of interest. This benefit accrues, of course, to all classes alike; but those who can, as we have said, afford to put away and invest in Government bonds, get a direct benefit which does not accrue to those whose means are only sufficient to pay for a reasonable livelihood, or who, perhaps, can put away a few dollars in a savings bank.

We would call attention to another matter. The inducement this exemption holds out is a direct invitation by the Government to the investor, and therefore to the wealthy classes, to avoid the burden of a tax imposed by that same Government, which was imposed for the very purpose of doing something for the general benefit of the community, but which that Government now seeks to nullify. The success which has attended the efforts of the scheme of our Finance Minister for raising money for war purposes from the people of the Dominion of Canada, instead of borrowing elsewhere, is likely to be followed very largely, so that we may expect to see in the future, further and larger Provincial issues to be taken up by our own people. If all these securities are to be free from Succession Duties, we shall see a large reduction in that source of revenue.