TO REDUCE NATIONAL DEBT

Is Chief Aim of Imperial Budget—Canadian Finance Quiet in Old Country—Banking and Financial Notes.

London, April 26.

Financial matters are quiet. The reduction to 4 per cent. in the bank rate failed to affect materially the prices of securities. The return to the low level should facilitate commerce. The building trade especially needs the encouragement of low intereset.

The interest in Canadian rails is not so keen. Movements are slight, and the stocks engage less attention from small investors. Some of the latter did well from the recent activity in Canadians and Americans. That more of them made no profit was due to the inability of several outside brokers to pay.

Safe Investments in Canada.

Sir Wilfrid Laurier has given to an interviewer his opinion that Canada holds more opportunities now for safe investment than for many years past. Sir Wilfrid was diffident about specifying any one security in preference to another.

An unusual communication figures in the middle of the city article of the "Times." Redpath & Co., of Montreal, are the writers of a warning letter. It has come to their knowledge, they say, that one of the minor Canadian life offices, a concern that has been criticised severely for its methods, is seeking capital in England. The writers warn the public not to invest without having perused the report of the Royal Commission on Insurance. They offer to forward copies of the report to people who apply. The warning gains no little influence because it comes through the "Times."

Canada's name is involved, but hardly Canada's credit, in the affairs of the Canadian Railways Finance Company, now in liquidation. Some $47,500 are due to bondholders, and $1,930 to unsecured creditors. The known assets are $19 in cash, $4,800 in bad debts, and certain concessions to which no value can be assigned. Except the pass-book, all the books of the company are missing, and it is hardly matter for surprise that shareholders declared the company to be a swindle throughout.

Tightening the Imperial Bond.

It is quite in keeping with precedent that a director should be negotiating with other people to form a new company for bondholders to join. Ironical laughter greeted this announcement at the meeting, and there is a likelihood that more will be learned of the company's transactions.

Mr. Lloyd-George's remark to a traders' deputation asking redress of a grievance against the railway companies, should find appreciation in Canada. Various speakers had tried to entangle the Minister in a discussion upon Free Trade and Protection. His answer was that "he was sure that the country with the best fiscal system in the world would be ruined by a bad transportation system."

A remarkable reflex effect has been produced by the introduction of the Chamberlain proposals. At the Imperial Conference this has been shown by the anxiety of the government to emphasise in how many other ways than by reciprocal preference can the Imperial bond be tightened. In matters of commerce the government seeks to atone for refusing all tariff reform by taking a lively interest in all other commercial reforms demanded. Hence the legislation affecting rail rates, shipping rings, limited companies, patent laws, and so forth, all of which is either in progress or under discussion.

Notes of the Imperial Budget.

This form of counter-activity probably does not extend to the Budget-making of Mr. Asquith. For the first time is introduced a differential rating. The man who "earns" his income pays on the basis of ninepence per £, and income from investment pays at the rate of one shilling. A man in business may therefore pay one rate on one portion of his revenue and another on such as arises directly from investment of capital. Should earnings and non-earnings exceed £2,000 per annum he pays at the flat shilling rate. If at death he leaves more than £150,000 his estate will be taxed in 7 per cent. instead of the former 6½ per cent. Estates of multi-millionaires will be taxed 10 per cent. on the first million, and as much as 15 per cent. on the remainder.

The proceeds are to be applied to the extinction of National Debt at a faster rate than has been before attempted. Some £15,000,000 are appropriated to that end this year, and this is the really satisfactory point of the proposals. Not everybody is satisfied, for the rich call the Budget socialistic, and the socialists call it middle-class and brutal. A legion of evaders with small means are dismayed by the order made on employers to furnish the names of all in their employ, with a list of the sums paid them.

The managing directors of life insurance companies should be satisfied. Previously a man received abatement from his assessment in respect of life premiums, but not in respect of other thrifty provisions. Now, the investment of savings in other than insurance funds is penalized by the further threepence in the £—1¼ per cent. per annum on income—as well as by lack of rebate. The arrangement may not be ideally just, but the insurance agents admire it.

Other flaws in the perfect justice of the scheme are found by widows of modest means derived from investment, by landowners managing their own estates and some other classes. Tariff Reformers find in it new vindication of their claim that the basis of taxation needs broadening, and that the foreigner ought to be made contributory to our taxes. Other considerations apart, it must be admitted that to reduce the National Debt by perhaps £140,000,000 during the next five years is to put the country into better shape either for peace or war.

Some apparent hardships on poor people are alleviated by the system of abatement. Under £160 no tax is paid, and under £400 there is deduction of £160 from the assessment, and thus a person with £300 "earned" will pay 4.2 pence per £ of the whole income, and on £300 "unearned" will pay 6.8 pence, and not the gross 9 pence or 12 pence.

NEW INCORPORATIONS.

The head office of each company is situate in the town or city mentioned at the beginning of each paragraph, and the persons named appear to be prominent members of the various corporations.

Magrath, Alta.—Harker Trading Company.

Reliance, Alta.—Reliance Trading Company.

High River, Alta.—High River Development Company.

Quebec.—Champlain Hotel Co., $99,000. T. I. Parent, V. Boswell, E. Fortier.

Nokomis, Sask.—Franklin Realty and Trading Company, $90,000. S. A. Beman, and A. C. Allison, Malone, N. Y.; A. L. Lockerby.

Saskatchewan.—J. R. Chisholm Lumber & Hardware Company; Wascana Curling Club Company; Regina Windmill & Pump Company; Young-Thomas Soap Company; Saskatchewan Granite and Marble Company. Saskatchewan Construction Company. Western School Supply Company. Estevan Farmers' Elevator and Trading Company. Hitchcock Farmers' Elevator. F. Sack and Company. Young Men's Christian Association. Great West Liquor Company.

British Columbia.—Independent Shingle Co., $50,000. Rock Creek Irrigation Co., $50,000. New Westminster House Co., $50,000. Robert Porter & Sons, $400,000. Columbia Fruit and Land Co., $100,000. Sechelt Towage Co., $100,000. Sumas Development Company, $600,000. Giant-California Mining Company, $5,000,000. Canadian Mexican Trading Company, $10,000. British Columbia Transportation and Commercial Company, $300,000. Silverton Lumber and Power Company, $30,000. E. T. Syndicate of the United States, $150,000. Waldo Mercantile Company, $10,000. Standard Land Company, $50,000. Leeming Brothers, $25,000. British Columbia Gypsum and Plaster Company, $100,000. Western Investment Company, $500,000.

Montreal, Que.—Continental Drug and Chemical Company, $20,000. J. U. Lalone, M. Gabias, W. J. Proulx. Davis Consolidated Mines Company, $2,000,000. J. A. Jacobs, A. M. Bilsky, L. S. Margolese. William Strachan Company, $100,000. G. W. MacDougall, L. Macfarlane, C. A. Pope. Canadian Polished Stone Brick and Tile Company, $1,000,000. J. A. Faucher, Quebec; W. T. Stewart, R. H. Fulton. S. Cote Motor Company, $20,000. S. Cote, A. Meunier, D. Genereux. C. F. Dawson, $100,000. C. F. Dawson, H. J. Elliott, J. J. Robson. Puritan Spirits Company, $20,000. A. Ramsay, W. H. Gerke, J. B. Lord, Malden, U. S. Northern Oil and Gas Company, $90,000. J. M. Fortier, M. Merchand, L. M. Fortier. Canada Office Furniture Company, $35,000. D. Wishart, D. E. Turner, F. A. Wishart.

Toronto.—Standard Sanitary Manufacturing Company of Canada, $20,000. G. S. Hodgson, H. W. Maw, C. T. Gillespie. Imperial Consolidated Mining Company, $1,500,000. H. W. Vance, T. Black, Miss A. M. Pointon. Larder Lake Gold Hill Mines, $1,000,000. H. S. Pritchard, F. Watt, J. J. Hubbard. Smaltite-Silver Mining Company, $1,000,000. G. H. D. Lee, W. B. Milliken, H. A. Clark. R. B. Hutchison Company, $40,000. W. B. Stewart, H. B. Hutchison, E. J. A. Andrews. British American Sign Company, $100,000. H. Gausby, E. Craven, H. F. Vigeon. Temagami Copper Company, $2,000,000. G. F. McFarland, A. McKenzie, W. D. Cavindish. Monitor Cobalt Prospecting and Development Company, $500,000. J. T. Rigg, J. L. Birney, A. E. Boreham. Orme Fashioners, Limited, $20,000. Mrs. M. A. Orme, W. R. Hampden, J. F. Roelofson.