

By STAFF WRITERS

GREAT BRITAIN is on the eve of a general election which is of greater interest to Canadians than any previous episode of a similar nature. It makes little difference to Canada

whether Premier Asquith remains in power or whether the Rt. Hon. A. J. Balfour returns to the treasury benches. A Liberal or a Conservative victory is not of much importance so far as our relations with the Crown are concerned. We are interested, however, in the House of Lords.

Every one will admit the peculiarity of our interest. That we should be more interested in the fate of the Peers than in that of the Tariff Reform movement is almost inexplicable, but so it is. Those ancestral homes, those deer forests and game preserves, and those lovely women who wear coronets are part and parcel of the British spectacle. Because we have nothing of the kind over here, we somewhat thrill with pride when we consider that we own a few shares of the "common stock" in the peerage. Indeed we have one or two shares of the preferred in Lord Strathcona and Lord Mountstephen. Besides, in the western world, we love a fight. The Lords have been showing fight. Our Senate never fights. Only once it fought—and won. The spectacle of the Lords fighting the Lloyd George Budget against the almost expressed will of a nation is so plucky that we have become interested.

(F)

I F the Dominion Government were to pass a law to the effect that every man selling a piece of land, farm land or city lot, should pay one-fifth of his profit as a special tax, what would Canadians think ? If a farmer who buys a section of land, 640 acres, at \$5 an acre and sells it again at \$15, had to pay one-fifth of this "unearned increment" to the Government, in this case \$1,280, what would he think? If a man who bought a lot on Yonge St., Toronto, twenty years ago for \$5,000, were to sell at \$25,000 and find that he had to pay the Government \$4,000 as its share of the increased value, what would he think?

This is the principle in the British budget to which Lord Rosebery objects. He calls it the thin edge of the Socialistic wedge and the first stage in nationalisation. It is only fair to say that land taxes in Great Britain are not so high nor so common as in Canada, but this does not alter the burden of the proposed new taxes. Indeed because the unearned increment in Canada comes more quickly, it would be even less hardship to part with a percentage of it than in Great Britain where land values have grown steadily but slowly.

If Canadians object to socialistic measures and nationalisation of land at home, they surely cannot approve of these measures in Great Britain. They must sympathise with Lord Rosebery in his protest against some elements of the much-discussed Budget.

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I F the Lords refuse to pass the Budget, the fat will be in the fire. There must be a general election. But, in addition, all sorts of things would go into Britain free of duty—especially tea, whisky and tobacco. And what a carnival of importation there will be for a few weeks! Since May, there has been an increase in taxation of various sorts, and all these increases would be recoverable at law. The army and the navy would be in a peculiar position, with little of importance happening. There would be a mild sort of chaos.

That is just why Canadians are interested. Our Senate could never get up the courage to do so noble and striking a deed, hence we have begun to think the House of Lords some pumpkins. Then again, the Peers may really be like our Senate and they may be bluffing only. In the meantime, we watch—and wait.

(B)

POOR old Hogtown—it is in trouble again, because of its gluttony. Some years ago it drove a hard bargain with a street railway company. It was so hard that at first it looked somewhat ill for the company. Then Toronto grew and grew, and the railway began to be profitable. The profits now have become so large that the annual share received by the city amounts to half a million dollars. This is a tremendous annual rental for a street railway

franchise, even in a city where people are generally prosperous.

The trouble is caused by the ticket-buyers who are now advancing the argument that this half million dollars is coming out of their pockets and is lowering the taxes paid by all the rich men and big corporations who own city property. The franchise runs until 1921, and in the time yet to elapse the city will receive ten million dollars, all of which will go to relieve rich men's taxes. The people who pay the street car fares say this is not equitable.

The remedy is not visible. The street railway company says it is satisfied and it doesn't desire to change the fares. The city has a good contract, and is afraid to change it, lest it get the worst of the change. In the meantime the poor man continues to pay a fare which brings enough profit into the city treasury to reduce all taxes on property by five or ten per cent.

What a weary world it is. "If we had not done it, we would have been scorned for not being far-sighted; we did it and now we are worried to death because of the unearned profits we are putting in our purse." Such is Toronto's lament.

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PREMIER GOUIN of Quebec has a problem on his hands. He announced that in September, 1910, he would prohibit the export of pulpwood cut on the crown lands of his province. Then the United States government came along and gave him a punch which staggered his good resolutions about waiting until next year to make his move. The doubt arises, because the blow was indirect. It was given in the form of an increased duty on paper going into the United States and only hit Sir Lomer through his friends the paper-makers.

Sir Lomer made a promise to the American purchaser of his timber reserves that for ten years he would not discriminate against them. That promise will not be fully redeemed until September, 1910, and we would advise Sir Lomer to wait until then. True, the provocation and the temptation are great, but a Canadian statesman should err on the side of fair-dealing rather than fall too close to strict dealing. The lane of international intercourse is long, and there are many turnings. It looks as if the United States wants to fight, but let that fact be made unmistakably clear before any Canadian retaliation is attempted. Amicable and pleasant relations between our neighbours and ourselves are too important to be prejudiced by a slight which is so indirect and casual as to be entitled to very little notice. Let us wait patiently for the big bump. If it does not come, we shall not be sorry that we waited.

HON. MR. BRODEUR'S statement, on his return from London, that there will be no politics in the proposed Canadian navy is reassuring. It is to be hoped that he will begin at once by removing all the vessels now operating under the Marine Department from the realm of political traffic. There is a suspicion abroad, ill or wisely founded, that in spite of Mr. Brodeur's anxiety to eliminate politics from his department, he has not wholly succeeded. Nor can he fully realise his ambition until the whole Outside Civil Service is brought under the supreme control of the Civil Service Commissioner. This is a necessary preliminary to the state of affairs which Mr. Brodeur and the country so anxiously desire.

Strangely enough the opposition to the extension of the new Civil Service Act to the Outside Service is not coming so much from the Ministry as from the Members and their Backers. A member without patronage would be something new and a Backer without patronage would be even newer. However, it is all a matter of education, and the believers in civil service reform must continue their active agitation. This is the season and the opportunity.