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HELPING PAY FOR THE WAR.

Probably the terms of taxation are those by which the ordinary man can most easily and keenly appreciate the financial responsibilities involved in the present conflict. The totals of the loans raised and even the daily expenditures of the belligerents are almost incomprehensible in their vastness. But what taxation means, everyone who has to pay it can appreciate. In Great Britain just now there is the unwonted spectacle of an insistent demand for increased taxation, and sharp criticism of the Government for having postponed so long further increases. War taxation up to the present is estimated to produce about 68 millions sterling annually, which total only looks substantial until it is compared with the average daily expenditure of over three millions sterling, of which total at least 2¼ millions sterling is borrowed money. The lengths to which conservative and responsible authorities are prepared to go in taxation for the purpose of maintaining, as far as possible, the inherent soundness of British finance may be seen from the fact that the London Economist earnestly begs for a 20 to 25 per cent. surtax on all branches of revenue, with one or two exceptions; plus a 50 per cent. addition to motor and other license duties, and a 10 per cent. tax on all dividends without reference to the question whether the recipient's income comes up to the present minimum on which income tax is payable. A few days ago, an influential deputation of London bankers headed by Lord St. Aldwyn, a former Chancellor of the Exchequer, called on Mr. Asquith with the same object. Lord St. Aldwyn said the deputation "were there to ask for increased taxation on all classes, including themselves," especially by a better arrangement of the income tax and by lowering the present limit of total exemption. Other speakers demanded immediate taxation of all wage-earners and stiff taxes on imports—free trade principles notwithstanding—for the express purpose of reducing them. Mr. Asquith agreed with the deputation's views that the country had not yet gone nearly far enough

in the way of providing out of taxation additional resources for the war, and he intimated that the income tax ought certainly to begin at a lower stage in the scale of income—it begins now at \$800.

The Prime Minister's utterances on this occasion suggest that a further rise in the income tax—already from 7½ to 12½ per cent for people of quite moderate incomes—is a certainty. A general scale of war taxes on imports is perhaps more problematical, though likely enough heavy impositions of this character of imported luxuries are likely to be made. In any case it seems certain that the Budget which Mr. McKenna will introduce this fall will be of a type that will compel most people to be economical, whether they like it or not.

CONDITION OF THE CROPS.

The Census and Statistics office has issued a report on the condition of field crops throughout Canada at the close of July. The following is a summary of its principal points:—

Prince Edward Island—All farm crops give promise of a yield 10 per cent. above the average.

Nova Scotia—Hay yielding a bumper crop. Grain, hoed crops and pastures doing well.

New Brunswick—Hay, half-crop to under-average with local exceptions; pastures, good; grain crops looking well, though in some places grains other than wheat are short and late; roots good.

Quebec—Grain crops generally excellent; hay crop varying from good average to poor.

Ontario—Damage at various points through heavy rains; generally speaking otherwise good grain crops; hay in some places light, in Eastern Ontario better than expected; hoed crops generally good, except where damaged by rain.

Manitoba—Cool weather has made a rank growth and delayed maturity; cutting will begin about August 15—two weeks later than last year.

Saskatchewan—Crops have improved greatly during July except in places where damaged by hail; Kindersley reports prospects for bountiful harvest surpass all expectations; grain yields generally speaking about average; hay, good to negligible; roots generally good.

Alberta—Grain prospects generally good, except where hail and rain damage, but crops late; hay, good; root crops excellent.

British Columbia—Hay crop heavy; cereals good; roots, forage plants, fruits and vegetables in good condition.

Press notices and dispatches, as collated by the bonding department of the Fidelity & Casualty Company of New York indicate, for the months of May and June, 1915, the following defalcations:

	May, 1915.	June, 1915.
Banks and trust companies	\$323,318	\$ 59,526
Beneficial associations	30,565	65,568
Public service	6,300	131,174
General business	179,618	220,765
Insurance companies	61,507	1,775
Transportation companies		10,000
Court and trust companies	1,584	32,161
Miscellaneous	21,391	15,831
Total	\$624,283	\$536,800