

THE CITIZENS' INSURANCE COMPANY (OF CANADA.)

Subscribed Capital..... 1,000,000

Especially empowered by Act of Parliament, and fully authorized by Government under the Insurance Bill.

HUGH ALLAN, PRESIDENT.

Life Department.

THIS sound and reliable Canadian Company—formed by the association of nearly 100 of the wealthiest citizens of Montreal—issues policies on all the Modern Plans, including—Limited Payments, Endowments, Part Credit Premiums (without notes), Income Producing System; and several new and valuable plans.

A comparison of the very Low Rates, and of the liberal and unrestricted nature of this Company's Policies, with those of any other Company, British or American, is specially invited.

All Life Policies are absolutely Non-forfeitable.

Persons intending to assure their lives are particularly requested to first examine the Prospectus, List of Shareholders, and Policies of this Company, which, together with all information concerning the constitution of the Company, the working of the various plans, &c. may be obtained at the

Head Office, Montreal—No. 71 GREAT ST. JAMES STREET.

EDWARD RAWLINGS, Manager

Agent for Toronto:

W. T. MASON.

Agent for Hamilton:

R. BENNER.

J. GILLESPIE & CO.,

HAVE NOW ON HAND,

OVER ONE THOUSAND CASES

SPRING GOODS,

AND ARE

PREPARED TO SHOW THE LARGEST VARIETY

OF

FELT AND STRAW HATS

IN THE DOMINION.

Inspection respectfully invited.

64 YONGE STREET,

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TORONTO.

THE Monetary and Commercial Times.

TORONTO, FRIDAY, APRIL 15, 1870.

THE BUDGET—CHANGES IN THE TARIFF.

No budget speech of recent years has been more barren than that of Sir Francis Hincks. The policy it developed is a policy of small expedients. There is no governing principle in it, and certainly nothing that can be dignified by the name of national policy. If you allow the correctness of Sir Francis Hincks' mode of financiering, a new recipe for turning a deficiency into a surplus will have been found. He seizes upon two items of capital, which amount together to \$580,000, and insists on treating them as revenue. One consists of premium on the exchange in transmitting the Intercolonial railway loans to this country, \$380,000, which, as we before explained, were properly part of the loan, and ought not to have been separated from it. In consequence of the course of exchange, the loan netted that much more in Canada than it amounted to in England. Suppose it had been the other way—that the exchange had been against England instead

of being in its favor—would Sir Francis have taken the difference out of the years' revenue? Would he not, on the contrary, have set down the deduction from the capital to discount? If he would have done this—and there can be no doubt about it—he has no right to abstract the premium realized on the sale of the exchange from the capital, and insist on counting it as part of the year's revenue. His treatment of the \$500,000 received in part repayment of a loan to the Great Western Railway Company is still more inexcusable. There is no ground whatever on which to base a pretence that this item is part of the revenue of the year, into which it has been thrown. The transaction between the Province and the Great Western belongs to capital account. The money, when loaned, was not taken out of the revenue of the year or a series of years. It was borrowed by a sale of Government securities; and this repayment by the railway company ought to go in liquidation of the debt of the government. To put this \$500,000 into the revenue of the year is equivalent to contracting a debt to that amount. In justification of the course adopted, it is stated that Mr. Gladstone, when Chancellor of the Exchequer, included in the revenue £500,000 unexpectedly received from Spain. To make the cases parallel, it would have been necessary to show that this was an amount for which the British Government was a debtor to somebody else. Then a precedent would have been shown, but not necessarily a justification established. But nothing of the sort was done; and the chances are that the two cases are wholly dissimilar. There can be no question that these two items, which, together, make \$580,000, ought to be dissociated from the revenue of the year; and in that case, the Finance Minister admits a deficiency of \$380,000. This is the year ending 31st June next.

The estimated revenue for next year is \$14,306,886. The Finance Minister's Ways and Means, include some new and very exceptionable items. The Nova Scotia members forced the Government into imposing an import duty of fifty cents a ton on coal, under the impression that it would have the effect of making Ontario go to that Province for this indispensable article, instead of buying it in the States, where it is so much nearer our doors. As an offset twenty-five cents a barrel is put on flour. Nova Scotia, which sought to drive a hard bargain, will find that she has got the worst of it. Half a dollar a ton will not have the effect of giving that Province the market of Ontario for this article; but the Nova Scotia consumers are pretty certain to have to pay the 25c. a barrel duty on flour. The coal duty will

not, however, be inoperative; the Minister of Finance is no doubt correct in estimating that he will get some revenue from it. This may help the exchequer, but it will not help the Nova Scotia miners. This revenue will be obtained from an article which is a prime necessity of life in our climate, and which is every year, as wood-fuel becomes scarcer, becoming more indispensable. The biting effect of this duty will be felt where cheerless poverty crouches in misery amid the bitter cold of a Canadian winter. It will be felt as a sore discouragement to the manufacturer, to whom it is essential as the element of a motive power. No two taxes that could be devised would be so odious and illegitimate as these on bread and fuel. Far better would it have been to increase the duties on articles properly taxable—which are universally admitted to be a legitimate subject of taxation—than to attack the very existence of the poorer classes of the population by taxing flour and coal; far better would it have been, when the fifteen per cents were being increased, to raise them to twenty.

In the case of salt, a discriminating duty against American, has been resorted to. This is directly opposed to the Royal Instructions, as recently quoted by the Government itself, in a case of disputed legislative jurisdiction between a Province and the Dominion. This salt duty, we apprehend, is intended to be prohibitory. There was a way in which the demands of the salt producers could have been met, without exposing us to the danger of any of the mischievous effects of monopoly. A spokesman of a deputation who waited on the Finance Minister, said that he would undertake to guarantee that the duty he asked for should not have the effect of raising the price of the domestic article above a specified figure, which was a reasonable one. The duty might have been levied on a sliding scale; to be operative while Canadian salt continued to be produced at the designated price, but to cease, whenever it went above that mark. This would have been a guarantee that the price of domestic salt would not have risen unreasonably under the operation of the import duty.

The free list is overhauled with great freedom; but it is impossible to discover any principle to which it has been subjected. A large number of raw materials, which it has hitherto been the policy of the Government to admit free, are hereafter to be subject to duty. From some of these it is admitted that no revenue is expected to be realized; but from others an aggregate of \$2,000,000 is anticipated. While a large number of articles are taken from the free list and subjected to duty; two or three which have