

BOARD OF TRADE Calls Meeting of Protest.

Government's Policy of Taxation Roundly Condemned -- Resolutions For Presentation to Governor Adopted--General Public Greatly Interested.

Strong resolutions condemning the high tariff rates, the proposed amendments to the Income Tax, the enormous estimates for the coming fiscal year, and the tremendous squandering of the past few years, were passed unanimously at a meeting of the Board of Trade held yesterday afternoon. The resolutions will be found in the Editorial column of the telegram to-day.

The gathering was the largest and most representative meeting of business men ever held in the city. It proved beyond a shadow of doubt that public opinion, which has so long been dormant, has at length been aroused. The business community has had its patience tried to the full and can no longer refrain from an expression of disapproval of the actions of the present Government. The burden of taxation to-day is such as to practically prohibit the operation of any business at a profit. It is making existence almost an impossibility for the ordinary citizen. It remains for the remedy to be applied. The resolutions passed by the Board of Trade will be presented in the form of a petition to the Governor in Council. The outcome cannot be prophesied, but the general belief is that it will result in the appointment of an Economy Commission, similar to that which was set up in England under the leadership of Sir Eric Geddes. This may result in such reductions in the cost of government by a judicious application of the axe to the various public services, that living expenses may be considerably reduced. Whatever the results, such an unanimous expression of public opinion as was witnessed yesterday can not be ignored. So important was the object of the meeting that many people who were not members of the Board of Trade attended and standing room was at a premium. Mr. C. R. Duder was chairman. There were five paragraphs in the resolutions, and each was dealt with by a speaker who was fully conversant with the matters at hand. Mr. W. A. Munn was the only speaker from the floor.

CHAIRMAN'S ADDRESS.
In his opening remarks the chairman said it fell to his good or ill fortune to have to preside. He referred to the meeting of the Council of the Board of Trade and its cognizance of the situation that at present confronts the country. Increased charges on the colony have gradually grown until at the present time taxation exceeds revenue. This meeting, representative of all walks of life, was a great pleasure to him as it showed that the general impression that there was no public opinion would have to be scrapped. He thanked the gentlemen who had consented on his invitation to be the speakers of the evening, and he assured the audience particularly and specifically that the meeting was absolutely untiring with respect to the subject. The object was the interest of our Island home.

Mr. W. G. Gosling being called upon said he felt that he had said pretty nearly all there was to say through the channels, on the subject assigned to him. He was glad to learn that the matter on which he had recently drawn attention through the local press had been taken up for discussion by the Board of Trade. Viewing his endeavours to arouse public opinion, Mr. Gosling said "That few months ago it dawned upon him that the colony had got into what appeared to him as an impossible position, and he endeavoured through the press to lay the results of his researches before the public and the Government. It seemed to him that this position was realized something would be done." He stated that he had no idea of taking any side in the matter, and he did not wish to oppose the present Government as he thought both parties contributed to the conditions as well as the business people and the people in general. It was remembered that Mr. Gosling had recommended the reduction of the tariff as the best method out of the present dilemma, and in his address he stated so simply that he was sure his suggestions would be adopted, but he was informed by the Minister of Finance that nothing in the way was going to be done this year. He was very much surprised. Mr. Gosling made clear to the meeting that under the present estimates the country cannot go on, and whether the estimates cover 9, 10, or 11 million

dollars either figure is beyond the resources of the colony to provide, as if the middle sum of 10 million dollars were taken it meant 70% of the value of our exports. This he compared to a manufacturing concern which if it ran its overhead expenses up to 70% would have nothing left for profit or the renewal of raw material and would have to cease. The country likewise, he said, could not expend 70% on overhead expenses and hope to go on. During the war, continued Mr. Gosling, when the country was making large earnings there was increased expenditure, but since the earning power has been cut expenses too have to be cut down. Mr. Gosling referring to the railroad said that if we are to continue to pay for the running expenses we will have to eliminate the railroad until we are actually able to pay for it. We should also cut out the superfluous steamers that are eating up money. We have not got the money and we have to go back. It is no use in trying to live up to an eleven million pound service if we have not the funds. Referring to the Government's efforts to solve the various problems he said it was cruel whilst trying to be kind, and the salt purchasing, supplies, pit prop cutting and road making, etc., had a very bad and demoralizing effect on the people of the country. At the present time, he said, one half or three quarters of the people who are getting assistance from the Government don't require it. This expenditure on relief works is an added burden on those who are working and has a most demoralizing effect. The Government cannot afford to spend \$10,000,000 on the public service, and it must economize, said Mr. Gosling amid much applause.

NEWFOUNDLAND NO PARADISE.
Mr. C. P. Ayre, of Ayre & Sons, Ltd., followed Mr. Gosling with the appended address supporting the resolutions.

"The people of the world over are to-day facing a very serious situation. After the declaration of peace there was an exceptionally prosperous period of trade, but since that time there has been a continuous deflation in prices so serious that it has affected every industry to a deplorable extent and in Newfoundland we are experiencing our share of the trouble. I have heard people say that compared with England and other countries we are living in a paradise. I am afraid, however, it is a 'fool's paradise,' because we have not been facing our difficulties with open eyes, but rather ignoring them. The time has come when we can no longer do this. We must act or go under. For the past year supplies issued to the fishermen were to a large extent not paid for by them, and therefore cannot be continued. The men could not make two pennies out of it. It was impossible to do so, as necessities cost so high, and fish was so low. It is obvious that the fixing of the price of fish is altogether outside of our power. Cheaper foods will be substituted and the consumption of our fish lessened. But this country has some control over the price of the fishermen's necessities, to the extent of the import duties that it imposes upon them and by reducing them can make it easier for the fishermen to live and give them the incentive to work by making it possible to get paying returns. There is no question in my mind but that the people are overburdened with taxation and that it must be reduced. Take for example the ordinary necessities of life. In the first place groceries are taxed 35 p.c. for import duty. This with the additional taxes really amounts to 55 p.c. so that every dollar's worth of groceries imported from Canada and the United States costs 55c. for duty alone. Next we might take as an example wearing apparel, on which the duty is 35, 40 or 45 p.c. the largest proportion of unmade goods being 40 p.c. That 40 p.c. with the taxes added means 65 p.c. for Canadian and American goods and 75 p.c. on goods from Great Britain. It is strange that we should discriminate against the mother country. However, each dollar's worth brought in from Canada and the United States under the 40 p.c. rate pays 65c. for duty alone. Everyone here can readily see that when expenses for packing, freight, insurance are added, together with the necessary profit, to enable employers to pay for their own livelihood, the prices are

simply appalling. We might take further examples such as the manure tax on Sugar where this article costing about 3 1/2c. in the first place pays the duty of 6c. per pound. These high prices may possibly have been met when times were prosperous and money abundant, but with the reduced value of our codfish, the product upon which we are practically wholly dependent, we will soon arrive at the place where the smaller purchasing power of our people will mean less goods imported and an embarrassing reduction in the total duties and taxes collected. If our legislators do not consider this matter seriously and act promptly disaster must fall upon us.

PREACHING NOT PRACTICED.

"Less than a week ago I had the pleasure of listening to a very eloquent address made by the Prime Minister, Sir R. A. Squires. In it he laid great stress upon the need of industry and honesty throughout the whole country and appealed to his hearers for their co-operation. I am in perfect accord with Sir Richard, but I will go farther, for it seems to me action is needed rather than words. Industry and honesty must characterize rulers as well as people, and when we realize that the Government of this country is costing us far more than there is any necessity for, we are justified in demanding that reduction in expenses should be practiced by them as well as by the business people and the fishermen. This country is burdened with Governmental expenses beyond all proportion to its population, and I regret to have to acknowledge that in many cases there are striking examples where both honesty and industry are absent, both by men in office and on the street. Now I do not wish to be misunderstood. I do not attribute to the present Government any blame greater than that shown by previous Governments. This is not a time for Newfoundlanders to strike at one another, but rather a period when legislators business men and all leaders must stand shoulder to shoulder for the common good. Again I would say this is not a time for talk, but for action. We want to see an extensive and immediate reduction in the cost of Government machinery. It is far better that action should come to-day from our leaders instead of drifting along till drastic action is taken by the people themselves. There should be appointed a committee on Expenditure, with objects and instructions similar to the Geddes committee, which has done excellent work in the old country."

THE SUPPLY QUESTION.
Mr. W. S. Monroe was the next speaker, and his address was confined to the matter of fishing supplies. He said that although he was a supplying merchant last year, he was not one now. Although his business was not a large one, he had been responsible for the outfitting of 100 schooners last year, and that, too, without the Government guarantee. There might be a difference of opinion upon the question of the Government keeping the railway going and spending a million a year on it; there might be a difference of opinion on whether the line to Hall's Bay should have been built, and whether the taxpayer should be called upon to contribute to the upkeep of 300 so-called labourers, who spent their time trying to find out how they could earn the maximum wage by doing the minimum work; but the Government had to see that taxation should not be too great to prevent the fishery from being carried on. Last year, Bowring Bros. had decided that it was not a good business proposition to supply when the cost of outfitting was so high and the prospects of realising on the produce was so speculative. Others had launched out into the supply business and found at the end of the season that they were wiser and poorer. They were not poorer because the people had treated them dishonestly, not because the fishery had failed, but because the net proceeds of an average voyage on the Labrador were not sufficient to pay the cost of prosecuting it.

THE FISHERY MUST GO ON.

The position to-day was that although the cost of outfitting for the Labrador was five per cent. less, it was hard to say how the market would be in six months time, when there would probably be more competition

and our customers would be no richer, so that the value of our produce would be on the downward trend. Where was the encouragement for supplying and what was the remedy? To illustrate the expenses of prosecuting the fishery, Mr. Monroe showed how a schooner which cost \$1100 to outfit for the Labrador would use up \$300 of that amount in accessories for engines in her boats, including oil. In his own small business, the cost of oil and gasoline had last year amounted to the huge sum of \$35,400. He then said it was apparent that the use of motor boats would have to be curtailed, but these boats were of no use without the engines, and the ultimate result would be to compel the fishermen to remain at home. He suggested that in the first place the Government should remove the duty of ten cents a gallon on gasoline used in motor fishing boats. If it were found that the fishery under present conditions was not a business proposition, then taxation had to be reduced. Mr. Monroe thought it better that not a cent should be spent on road work during the next five years, and that grass should be allowed to grow on the railway track rather than that the fishery should be interrupted. If it were not a business proposition to carry on the fishery, how would the interest on our national debt be paid back, not to speak of the amount of the debt itself, concluded Mr. Monroe.

THE INCOME TAX.

The section of the resolutions dealing with the income tax was ably dealt with by Mr. D. M. Baird, who clearly showed the discriminatory effect the amended act would have, particularly upon those who have invested in local reductions. He thought it possible that the Government did not understand the far-reaching effects of the tax. The local investor was taxed in every conceivable form, while it had a very distinct detrimental effect on the various enterprises that are giving so much employment in St. John's and throughout the country. Our various industries are carried on by limited companies in nearly all cases. The tax on a limited company making \$10,000 profit would be \$1000. If three men, married, and without families engaged in a partnership making the same profit the tax would amount to only \$100 each or \$300 in all, while a man who derived his whole income of say \$10,000 from his investments in local industries, would contribute either indirectly through the tax paid by limited companies, which is taken from his profits, and with the direct super tax added, \$920 against the investor with a similar income from say Canadian Government bonds, who would only be called upon for \$400. This is arrived at by figures based upon the interpretation of legal men of the Act. Mr. Baird quoted many other instances all of which go to prove that the Act does not give the local industries a chance, neither does it encourage the opening up of other industries in our midst.

EXTRAVAGANT EXPENDITURE.

Mr. R. Horwood, who intended to address the gathering on the 5th paragraph of the Resolution, was unavoidably absent and the Chairman not wishing to impose the task of speaking to the important subject contained therein, upon anyone else without preparation, volunteered to do it himself. His clear cut statements left no doubt on the minds of his auditors that immediate action was necessary if the country was to be saved from collapse. He said he did not think that one solitary man could disagree with the resolutions, seeing that the Government had entered into so many business propositions to the detriment of the business part of the community and ultimately to that of the whole island. One has only to take up the daily papers to see that out of \$440,000 which the Government gave out in supplies for the fishery, only about \$45,000 had come back. The enormous expenditures on pit props showed the Government's ridiculous attitude of going into enterprises and then falling down on the job. It is time that they got down to brass tacks, he said. Turning to the fishery matters, the speaker asked who will supply when he sees nothing but absolute loss in the venture, and as there was no one in business for his health's sake the issue was clear. It was also evident, he said, that if Newfoundland is to get back to the position of a self-supporting colony we cannot go on borrowing six million dollars year after year. He could not see how the Government could hope to maintain the independence of the country by the present methods. What was behind all the borrowing he did not know, but it certainly was an unenviable position to be in, to be compelled to expend these loans before we received them. The remedy was for someone to suggest to the Government measures whereby the intolerable taxation would be lessened. The Prime Minister's answer, to the request of the Council of the Board that the matter of Income taxes now before the House be deferred, was read by the Chairman, after which the meeting was thrown open for discussion. Mr. Duder's speech was received with much applause.

SPEAKS FROM FLOOR.

Mr. W. A. Munn was the only speaker from the floor. His address was filled with facts and figures which fully proved every assertion made by him.

He read a table of the value of our exports and imports from 1900 to 1921, for purposes of comparison. It should be plain to everyone, said Mr. Munn, that the Government did not realize the war was over or else they would retrench. Following are some pointed excerpts from Mr. Munn's speech.

"It should be plain to everyone that the value of our Imports and Exports must decline even lower than what they were in 1914.

"The average from 1900 to 1915 shows our annual Imports about 10 million dollars; Exports about 11 million dollars; Revenue about 2 1/2 million dollars.

"We cannot expect to see years of prosperity when the trade of the whole world is suffering from depression.

"Our customers in the Mediterranean are suffering more than any one else, and will be the last to recover, as they are practically bankrupt, and cannot pay their bills and are looking for assistance everywhere.

"It must be plain to even 'Fourth Form school boys' that unless our Government keeps our Revenue two and a half (2 1/2) million dollars for the next five years at least that this country cannot stand on the same footing, as we did for the fourteen years before the war.

"We successfully faced the great war crisis of civilization, and won our battles in the field only to fall ignominiously to reconstruct our business life in time of peace.

"When you look at these matters in a true light you demean yourself to come to terms over Income Taxes and Export Taxes. The country is in a life and death struggle, and if these taxes are not abolished at once, it is just as well for us to give up the ghost. This country has been through many a crisis, but will we ever learn by experience. The year of the Rals 1817, just after the Napoleonic wars, is repeating itself to-day.

STOPPING PRODUCTION.

"If you embarrass a business concern or deplete its capital you dry up the very source from which revenue is expected to come.

"It puts a stop to production and employment of labor, and arrests the whole industry of the country.

"Men will not take risks when they know that if a final success is achieved a large proportion of the gain will be taken from them in Government Taxes. This high taxation seizes upon the profit as soon as it is realised, but makes no allowance for previous failures or future losses, and therefore kills all incentive for individual or company enterprise.

"The Export Tax imposed on our fishery products by the present Government has no precedent in civilized countries.

"With taxes of this kind in force how is it possible for the exporters to meet the competition of other countries and pay the fishermen an adequate price for their livelihood.

"There is no other remedy but Retrenchment, and cutting down the expenditure of Government.

"What we must do to-day is to form a Retrenchment Committee who will get right down to business at once, and like Sir Eric Geddes' Committee, who recently reported to the British Government, show the public where the axe must be applied. This can be done in a very few days, and now is the time to do it.

Following Mr. Munn's address, the resolutions were put to the meeting and carried unanimously. The Chairman then thanked the various speakers and in conclusion stated that the meeting was ample proof that public opinion was not dead.

A committee will be appointed to-day to present the resolutions to the Governor in Council, although the results would be better by far if they were presented to His Excellency in person.

The High Cost of Fish.

From the following case it can readily be seen why fish, which costs little or nothing to buy at the ports where it is landed, rises to such a high price by the time it is delivered for consumption in Sydney. A shipment of fish was sent recently from White Bay on the northeast side of Newfoundland to this city. It was freighted by rail to Port aux Basques, a distance of 500 miles, and thence by the steamer Kyle to Louisbourg. The freight charges on the fish delivered in Louisbourg amounted to \$44.10. To bring the fish from Louisbourg to Sydney, a distance of 40 miles, cost \$22.10, just one-half of what it cost to bring it a distance of 900 miles over the Reid Newfoundland system--Sydney Post.

Octogenarian Saved 36 Lives.

George Liston, aged 88, negro, who is credited with saving thirty-six lives during half a century of duties at the Dartmouth ferry slip, died at Halifax on March 13. He was recently presented with a medal by Mayor J. S. Parker in recognition of his life-saving feats. The old negro, called on for a speech, modestly said he had risked his own life "only six times" in saving others.

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BETTY COMPTON STARS AT THE NICKEL.

Betty Compton, the girl of sweet personality, is featured at the Nickel Theatre to-day in "Prisoners of Love," a strong drama of self struggle with an unusual crisis. Cupid chased her a long while and then with a bang she became his prisoner. "Prisoners of Love" is a story leading through elaborate preparation along a line of well-sustained suspense and some difficult situations to a point of interest new to across production. The personal point of this story is the appearance of an actress in the leading role whose performance in "The Miracle Man" was of high merit enough to stand comparison with any similar interpretation ever shown on the screen, very generally conceded to be a revelation of its kind, that of Betty Compton. The supporting cast has been admirably chosen by that great American director Arthur Rosson. This story of deep appeal should be seen by all lovers of good literature. Charles Hutchinson will be seen in the current episode of "The Double Adventure."

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