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E.W. BEATTY OPTIMISTIC ON CANADA'S FUTURE (CONTINUED)

"If I were to speak to you at any length on private enterprise, you would naturally assume that I was a prejudiced observer and in that you would be right, but I have the profound conviction that the spirit and the courage, the initiative and the effort which is fundamental to enterprise and private undertakings are what has made this Country's progress thus far and are what will contribute more than any other single factor in its future success. Therefore, I think the Country is entitled to the benefit which will undoubtedly accrue in encouraging it in every way which is legitimate and proper.

"You gentlemen have heard a great deal as I have of the sectionalism which exists in this country, and we have heard of that which is good and that which is bad. I will admit it is the other fellow's sectionalism that seems to concern us most. We do not appear so affected by our own. That sectionalism which means pride in local achievement, in the success of a Province or a City which is brought about by the combined effort of the members of that community is everything which is admirable and commendable. It is in no sense unnational, but when it is taken to an extreme and the prosperity of one by special privilege is demanded at the expense of the other, then it is harmful. If we realize, therefore, that what we can do by our own activities we should do and that which requires a national point of view and a national co-operative effort we should contribute to, the evils of sectionalism will disappear and I might add that where prosperity exists sectionalism is reduced to a minimum and therefore the national prosperity of Canada which means more population and capital support will end sectionalism, as it will end a great many public questions now the source of agitation.

"And then we have the burden of taxation, always important, particularly to commercial communities, I am informed that \$54,204,027 was collected in income taxes throughout Canada last year and of this amount 79% was contributed by the Province of Ontario and Quebec, and of the total amount, \$29,108,746 or more than 50% was collected in the districts of Toronto and Montreal. It is not to be wondered at, therefore, that the question of taxation becomes a very vital matter to the people of these communities. Here again we are confronted with a somewhat disquieting comparison. A man with an income of \$10,000--not an extraordinary income in these times; in fact, a moderate one, if we have regard to the necessities of modern society and conditions of living--pays in Canada an income tax of \$619.50. In 1924 in the United States he paid an income tax of \$165.00 and in 1925 it is anticipated he will pay even less. The fact of the smaller taxation in the United States is not the most significant factor because temporarily we must expect to bear these burdens which are partially due to our war obligations, but the fact that in the United States the tax is steadily decreasing and will decrease until it becomes nominal or ceases to exist altogether, is of very great importance to this Country and leads to the inevitable conclusion that efficiency and economy in our public affairs is something which we should advocate without ceasing.

"And so, gentlemen, these very simple fundamentals seem to be brought home to us all. We are not un-Canadian for mentioning them because we do so with no feeling of despondency, but simply in order that they shall be presented and the necessary steps to overcome them shall be taken--taken not because we are critical of those in charge of our affairs but because we desire to help them by any constructive suggestion or support of constructive policies which are open to us or to them. I remember some weeks ago listening to a very humorous address from a former Toronto University graduate here. While speaking in a lighter vein he gave utterance to a suggestion that seems to me to have some merit.

(Continued on next Bulletin)