

BRITISH CHANCELLOR INTRODUCES BUDGET

Revenue for current year will be £270,000,000, and Expenditure £1,590,000,000, Mr. McKenna announces in House of Commons.

Hints at further increase if war continues—New taxation will satisfy neither strict Free Trader nor scientific Tariff Reformer—Great burden war is imposing will not cripple resources of nation, but must assuredly cause strain on sources of supply.

(Continued from page 1)

The chancellor also proposed an increase in the duty on sugar to 2.24 per hundred pounds.

A heavy tax on the profits of manufacturers of war supplies also was proposed by the chancellor. Fifty per cent. of all war profits above the amount assessed for the income tax last year will be subjected to a special tax which works out at sixty per cent. of the profits. Mr. McKenna estimated the revenue from this source in a full year at 30,000,000 pounds (\$150,000,000).

An all round increase of fifty per cent. in the duty on tea, coffee, tobacco, dried fruits and other articles was suggested, and also an increase of 100 per cent. on patent medicines.

ABOLISH HALF PENNY POSTAGE.

Another source of revenue is to be an increase in postal rates, which is expected to bring in 4,475,000 pounds (\$24,875,000). The chancellor plans to abolish the half penny postage and to impose additional charges on telephone and telegraph messages.

A tax of 33 1/3 per cent. ad valorem on all imported motor cars, bicycles, moving picture films, clocks, watches, musical instruments, plate glass and hats, also was put forward by the chancellor.

It took Mr. McKenna nearly two hours to reveal the secrets of his budget and his proposed methods of meeting the enormous commitments arising from the war. His opening sentence, however, left no doubt as to the drastic character of the measures he was to recommend.

"I must ask the House," he said, "to sanction great and unprecedented burdens. I am confident that if the proposed taxes are assented to by the House they will be accepted by the country."

Emphasizing the difficulty of framing the estimates in time of war, Mr. McKenna gave the revenues and expenditures as accurately as he was able to do. He said the revenue for the current year would be 270,000,000 pounds, and an expenditure of 1,590,000,000.

Our national wealth is great, he continued, and this debt will not cripple our resources. But we must not overlook the strain which such an expenditure will impose on our sources of supply. It will be necessary to borrow again.

Referring to the gigantic total of expenditures, the chancellor said the navy was costing £190,000,000 and the army £175,000,000. The country also had to bear external advances amounting to £42,000,000. The total daily rate of expenditure would be upwards of £4,500,000 and in the latter of the year might rise to £5,000,000. Ordinary services, he said, absorbed £170,000,000 excluding the army and navy, but including provisions for the national debt.

There is no record of a nation having voluntarily accepted a burden heavier so high a proportion to the total national income for which provision has to be made for a single year, he said. The new taxation he had to propose "will satisfy neither the strict free trader nor the scientific tariff reformer." He pointed out that it was necessary to impose a tax for purposes purely temporary, without regard to the permanent effect on trade. Consideration must be given to rates of the foreign exchanges and imports must be restricted.

Add Forty Per Cent. To Income Tax

"If by taxation we can restrict imports, reduce consumption and bring revenue," he continued, "we shall have found an ideal fiscal system."

It is usual with British chancellors, the main standby of Mr. McKenna was the income tax. He proposed, he said, to add forty per cent. to the existing income tax rate, combined with improved machinery for assessing employees and relieving cases in which there had been a falling off in income of more than ten per cent.

In addition to reducing the exemption limit from £160 to £130, a far-reaching alteration was proposed permitting payments by half-yearly instalments. For employees of all descriptions both the assessment and the collection are to be quarterly.

The effect of these changes for the present year, the chancellor said, would be to bring in £11,274,000, and for the full fiscal year £37,400,000.

The super-tax is to be increased on incomes of £8,000 and over from 34 pence to 42 pence per pound. This will produce in the current year additional revenues of £2,150,000.

It was proposed to introduce a special tax on profits which had increased during the war, this tax to be extended to all trades and agencies. Fifty per cent. of the profits above the amount assessed on income tax last year will be subject to the tax.

The chancellor dwelt at length on the sums the super-tax on incomes will bring in. The man with an income of £20,000, he pointed out, will pay £6,000 income tax and a super-tax of virtually six shillings a pound. The possessor of an income of £100,000 will have to pay £34,000.

The chancellor estimated that the new tax on war profits will yield £2,000,000 pounds in the full year. Including the income tax the new assessment works out at 60 per cent. of the profits. The revenue in the current year from this source is estimated at only 6,000,000 pounds, owing to the novelty of the tax and the various delays.

Mr. McKenna said that simultaneously with the increased sugar duty to 2.24 per hundred weight, the royal

HOLLAND'S TRADE FEELS WAR'S EFFECTS

Scarcity of materials endangered production of nation's factories—Nation at peace, but armed to protect her interests.

The Hague, Sept. 21.—Queen Wilhelmina's speech from the throne today in closing the session of the States General had for its keynote an expression of deep gratitude that the Netherlands had been spared the horrors of a war, the end of which was not even yet to be seen.

"The firm determination of the government to maintain our integrity and strictly observe the duties of neutrality meets with appreciation everywhere."

The speech ran:

"Our relations with all foreign powers have continued to be friendly. Our naval and military forces remain ready for the protection of the national interests."

Marked approval was given by the deputies to the concluding sentence of this section of the speech.

The Queen lamented the difficulties to arise from the war, scarcity of materials which often endangered the production of the nation's factories and the necessity for fresh taxation to meet an abnormal expenditure. She concluded with an expression of great hope and confidence that if the Netherlands remained spared to the end from being involved in the war, the nation would assume its honorable place in the competition of the nations.

An automobile in which Queen Wilhelmina and her daughter, Princess Juliana, were riding yesterday, collided with a motor car. The Queen's auto was damaged, but no one was injured.

LIEUT. ROBERTS IS ASSISTANT EYE-WITNESS

Fredericton man will assist Sir Max Aitken in chronicling deeds of Canadians on field of battle.

Special to The Standard.

Fredericton, Sept. 21.—Major Percy Guthrie is now at Niagara Camp, and will likely reach Fredericton either Friday or Saturday of this week.

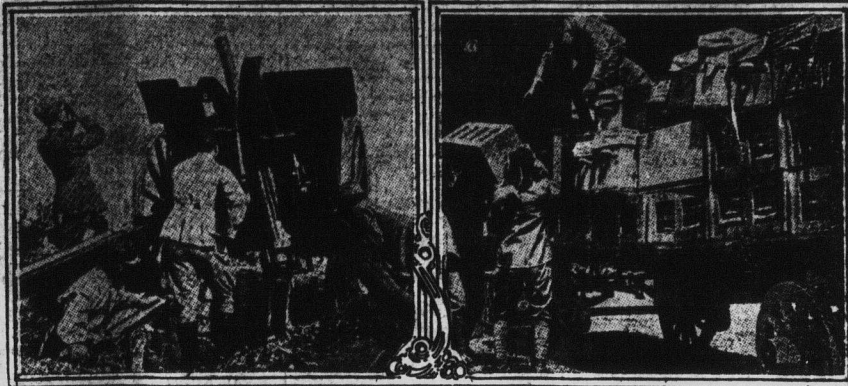
A dispatch received today stated Major Guthrie, with the other Canadian officers on board the torpedoed Hesperian, had been invited to attend the military camp at Niagara as guests of Major General Sir Sam Hughes, Minister of Militia. The officers are leaving for Niagara today and Major Guthrie expects to be able to arrive in Fredericton on Friday or Saturday.

Lieut. Theodore Goodridge Roberts of this city, has been appointed assistant eye-witness with Sir Max Aitken, with the Canadian Expeditionary Force in Flanders, and will be attached to General Headquarters of the British Expeditionary Forces in France.

Word of his appointment to this important post was first received here and at the time of writing Lieut. Roberts was waiting for his transport to France, where he will be attached to staff of Sir Max Aitken. The new position for Lieut. Roberts carries with it the rank of captain, and thus another former officer of the 12th Battalion has received an important post with the Canadian overseas forces on the firing line.

Captain Roberts left here over a year ago with the first draft of the 71st regiment and was attached to the 12th Battalion at Valenciennes. He has remained with this battalion in position since the arrival of the first Canadian contingent, but his present position comes in the way of a merit promotion. Capt. Roberts is one of the best known writers on the American continent and in Great Britain his books being widely read. This

ITALIAN WAR SCENES TAKEN ALONG THE NORTHERN FRONT



In the picture on the right in the above illustration can be seen a large wagon being filled with supplies for the Red Cross organization of the Italian army. This view was taken in an Italian base town and shows the soldiers putting the boxes, which have convenient handles, especially fitted on them, upon the trucks to be shipped to the Red Cross stations. In the other picture a detachment of five Italian soldiers is seen firing one of Italy's big guns at an Austrian aeroplane, which has been sighted.

CARLETON BAND STILL READY FOR SERVICE

Citizens' Committee in session yesterday hear suggestions for recruiting more men.

The meeting of the citizens' committee on recruiting, held in the Board of Trade rooms yesterday afternoon, was well attended. T. H. Estabrooks presiding. C. W. Hallam, who had been appointed to enquire as to the condition and suitability of the recruiting quarters at the corner of Mill and Union streets, as to which some adverse comment has recently been made, reported that he had secured the assistance of Messrs. Gandy and Lynch with a view to making these quarters more attractive and convenient for the purposes intended.

The chairman expressed the opinion that as many young men would not attend the meetings in King Square and elsewhere steps should be taken to reach them by some other means. He suggested that speakers should be secured to give addresses in various parts of the city, at street corners or otherwise. In this way, he thought, many who would not attend the regular meetings might become interested in the movement.

C. B. Lockhart, M. L. A. made the statement that the Carleton Cornet Band was still willing and anxious to enlist as a body. He said that he had spoken to Hon. D. Hazen as to the practicability of enlistment in this way and that the minister had expressed his willingness to give every assistance possible in the matter. Colonel Fowler had also been communicated with, said Mr. Lockhart, and the result would be announced soon.

The matter of the "pals" platoon also came up for discussion, but nothing definite was done. As has already been stated in the press, several of those interested in recruiting entertain the view that if it were possible to arrange for keeping friends together in the ranks many would enlist who are now hesitating.

It was felt by one of the speakers that business men should be approached upon the subject of making it more definitely understood by their employees that those joining the colors would have their jobs kept open for them, and asking the employers to encourage the enlistment of their eligible men in every way possible. A committee will be appointed with these objects in view.

Following the meeting Corporal Burra of Halifax gave a short address in which he referred to an interesting way to some of the methods adopted in Nova Scotia to encourage recruiting by systematic effort.

It will not be Captain Roberts' first experience in this line of work, he having been press correspondent for New York newspapers in the Spanish-American war.

Private Leonard Craig of Taymouth, who was wounded in action with the Princess Patricia Regiment, has returned to the front. A letter received by his mother, Mrs. Robert Craig, a few days ago, stated that he had fully recovered from his wounds and was again on the firing line. Private Craig left here with the 12th Battalion and was transferred to the Princess Patricia's after a period of training in England.

Miss Warner's Hospital.

The following subscriptions have been received for Miss Warner's hospital by Miss Lois Grimmer, 216 Germain street, and Miss Violet Whitaker, 119 Germain street: Miss A. Scamell, \$1; Friend, \$5; Mrs. J. Fen Fraser, \$1; Mrs. Landry, \$2; Friend, \$5; Mrs. Coster, \$5; Woodman's Point Tennis Club, \$25.

MANY ST. JOHN VISITORS AT FAIR

Over 300 went with St. Mary's Band Excursion—Attendance for second day of Fair passed 4,000 mark.

Special to The Standard.

Fredericton, N. B., Sept. 21.—Upwards of 4,000 people attended Fredericton exhibition today. The attendance figures are just about equal those of last year. The exhibition has been declared by all visitors to be fully up to the standard of past and with good weather the best attendance record in history is anticipated.

St. John furnished its share of visitors today. St. Mary's Band excursion bringing more than 300 people here, while band concerts in afternoon and evening were one of the attractions of day. No out-of-doors attraction at an exhibition here in years past made good to a greater extent than the balloon ascension which is this year's leading thriller. Two aerobats in their ascension today went up to an unusual height and one of them made a successful triple parachute drop landing in the St. John river.

Today equalled the corresponding day's attendance figures last year despite fact that it rained almost steadily after six o'clock this evening. There was another big influx of visitors this evening, including Hon. James A. Murray, Minister of Agriculture, who will visit the fair tomorrow. The agricultural department has offices at the fair grounds and Secretary Daggett has his headquarters there for the week.

One of the big features today was the parade of Ford cars. This being known as Ford Day at the exhibition, there were fifty or more Ford automobiles in the parade and many of them were artistically decorated. Fredericton and St. John were the most largely represented cities in the parade although there were Ford cars from nearly every part of New Brunswick. Winners of various prizes were as follows:

Best decorated car, Mrs. W. T. Chestnut of Fredericton, and Geo. O'Neill of Fredericton.

Most uniquely decorated car, showing best use of Ford cars—1st prize, W. R. Gillen of Hartland; 2nd, J. F. Harding, Margerville.

Ford car coming longest distance to take part in parade—Lonsbury Company of Newcastle.

Ford car carrying largest number of passengers, E. N. Reynolds of Upper Hainesville.

Judges were Messrs. George D. Ellis, J. H. Farwell and T. R. Mullin.

This morning a camera man of Pathe Co. arrived here to take motion pictures at the fair grounds.

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17 MINERS DIE IN FIRE IN COLLIERY

Nuneaton, England, Sept. 21.—Seventeen miners lost their lives today as a result of a fire in the Exhall colliery. About 250 workers were trapped below the surface when the cage used to bring them was destroyed by the flames. The greater part of them, however, were rescued through an emergency shaft.

A Patriotic Contribution.

Miss Julia Reed, of Mount Pleasant avenue, has an excellent copperplate etching of the Suspension Bridge, drawn and etched by Prof. John Hammond when he was in charge of the Owen's Art School. Miss Reed secured from Mr. McVey a piece of one of the bridge timbers when he was taking it down, and has had a neat frame made from it for the picture. This she intends to contribute to the Patriotic Auction, and it will be an interesting souvenir for some purchaser.

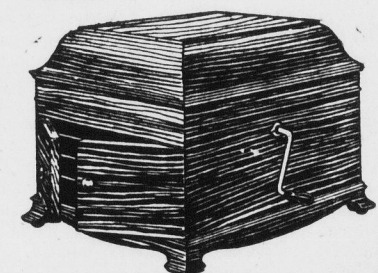
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"I appreciate the things the boss says to his friends about his Victrola now. Mine isn't as big as his but it suits our home. It doesn't hurt my bank balance for it's easy to pay. Lauder records are my favorites; I think his 'I Love a Lassie' is all right. You can buy double-sided Victor Records for 90c each."



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