Union Government Proposes To Place Burden On People.

EVERYTHING IS LUXURY?

The Finance Minister Again **Promises Commission To** Work On Tariff

OTTAWA, May 18. - A crowded House and crowded galleries welcomed Sir Henry Drayton, minister of finance, as he rose today to make of finance, as he rose today to make his first budget speech. The speech was long and occupied the greater part of the afternoon. Sir Henry dealt first with the economic end financial position of the Dominion. He emphasized prosperity in trade; the arouth of revenue—last year's revenue \$1 338,000,000 was the best ever collected. He spoke of Canada's strong costion in regard to currency.

Dosition in regard to currency.
Features of Budget.
The main features of his budget proposals were:
Taxes on luxuries.
Excise taxes on motor cars increased from 10 to 15 per cent.
Increased duties on heer wine and Increased duties on beer, wine and

Tax of one per cent on the sales of Tax of one per cent on the sales of all manufacturers, wholesale dealers, jobbers and importers.

Tax will not apply to specified essentials.

Additional stamp taxes on bills of the sales of the sales

exchange and promissory notes of \$100 or over. Tax of two cents for each share of stock transferred. Tax on moving picture films re-

Tax on incomes of \$5,000 per annum and upwards increased by five per Business profits tay renewed and modified. Exemption to be extended from seven to ten per cent.

System of collecting business profits and income taxes changed. Each tax-payer to be made his own assessor.

Entire removal of customs duty of 71% per cent.

7½ per cent.
A feature of the luxury tax is its general application. It hits articles

general application. It hits articles of all kinds.

Public Sittings.

After prorogation, Sir Heenry announcd, public sitting with a view to tariff revision would be held throughout the Dominion. The investigations would be conducted by the department of finance with the assistance of such would be conducted by the department of finance with the assistance of such expert and other advisers as would be necessary to conduct a thorough inquiry. The policy of the Government called for a thorough revision of the tariff with a view to the adoption of such reasonable measures as were necessary. necessary:
(a) To assist in providing adequate

(a) To assist in providing adequate revenues.

(b) To stabilize legitimate industries and to encourage the establishment of new industries essential to the proper economic development of the nation, to the end that a proper and ever-increasing field of useful and remunerative employment be available for the nation's workers.

(c) To develop to the fullest extent Canada's natural resources.

(d) Specially to promote and increase trade with the mother country, the sister dominions and colonies and crown dependencies.

(e) To prevent the use of the tariff for the exploitation of the consumer and.

(f) To safeguard the interests of the Canadian people in the existing tax on checks contingereased on bills of exchange and Two cents for bills of \$100 or less that the proposition of the canada for the proposition of the nation's workers.

Articles of luxury should be heavily taxed through the imposition of customs and excise rates. Necessaries of in Canada, should, if taxed at all, bear only such imposts as were necessary for revenue purposes.

As Sir Henry was outlining the proposed increases on alcoholic liquors, with the query:

"Why tax beer?"

for commercial and indus-

Drayton's Tax Proposals

Press).—The following is a summary of the taxation proposals submitted to Parliament by the minister of

finance this afternoo LUXURY TAXES.

Ten per cent of the total purchase price on boots and shoes costing over \$9 a pair, men's and boys' suits costings over \$45 each, men's and women's evercoats costing over \$50 each, fur coats and robes over \$100 each, women's dresses over \$45, women's suits over \$60, and on hats, hose, neckwear, shirts, purses and gloves costing above certain specified figures, as well as on some other wearing apparel, all fans, opera cloaks, ivory-handled cutlery, cut glass ware, velvet and silk fabrics, lace, ribbons, silk embroideries and sporting goods; also on trunks over \$40 each; and valises, suitcases, etc., over \$25 each. This tax to be paid by the purchaser to the vendor at time of

Ten per cent on pleasure boats, yachts, canoes and motor boats, cameras, candy and confectionery, chewing gum, firearms, shells or cartridges, pianos, organs, musical instruments, and plated ware adapted for household use. This tax payable at the time of sale by Canadian manufacturer, or when imported.

TOILETWARE AND JEWELRY.

Twenty per cent of total purchase price on such articles as cigar and cigarette holders and pipes costing over \$2.50, humidors and other equipment for smokers, hunting, shooting and riding garments, fancy pocket knives, gold, silver, ebony and ivory toiletware, jewelry, articles of silver adapted for household or office use, fur wearing apparel (except as mentioned above), liveries, Oriental rugs, expensive carpets and curtains, and chandeliers. This tax payable by the purchaser at time of purchase

PIANOS, GRAPHOPHONES. Twenty per cent on mechanical player-pianos, graphophones and mechanical musical instruments and records used therewith. Fifty per cent on articles of gold for household use. These two taxes being payable at the time of sale by manufacturers or when imported.

PLAYING CARDS

Twenty-five cents a pack on cards selling at wholesale rates not over \$25 per gross pack, and fifty cents a pack on cards above \$25 per gross pack BEER. WINES AND SPIRITS. Increase in excise duties on been of 30c a gallon non-sparkling wines, 30c on a gallon; spirits \$2.00;

gallon, and on sparkling wines, \$3.00 a gallon. MOTOR CARS. Excise tax on Canadian manufactured and im-ported cars increased from ten to fifteen per cent.

SALES TAX. One per cent on the sales of all manufacturers wholesale dealers, jobbers or importers (not retailers). This tax not to apply to large list of essential foodstuffs, cattle foods, anthracite or bitum inous coal, or to goods exported.

STAMP DUTIES. Existing tax on checks continued, but rate in creased on bills of exchange and promissory notes.

OTTAWA, Ont., May 18 .- (By the Canadian | for each additional \$100 or fractional part thereof. Stamp duties on patent medicines, etc., henceforth to be affixed by manufacturer or importer in-stead of retailer as now.

TAX IS ABOLISHED.

Films—A tax of 15 cents for each day used abolished because of inequality of incidence as between small and large theatres. All the above taxes are effective from tomorrow the 19th inst.

INCOME TAX.

By last year's legislation income taxes payable this year on 1919 income were very substantially raised. A further general addition to these taxes of five per cent is now added, on incomes of \$5,000 and

up to be effective this year. In future, income tax returns must be accompanied by a check for at least twenty-five per cent or the whole of the amount estimated to be pay-If paid in installments, interest at 6 per cent is to be charged and payment in full is required within six months after return is made by means of three equal bi-monthly installments. Heavy penalties are provided for incorrect returns.

BUSINESS PROFITS TAX.

Present tax is modified to increasing the exemp tion allowed from seven to ten per cent and changing the schedule of taxation to the following: On profits in excess of ten per cent on capital, but not exceeding twenty per cent, tax will be twenty per

On profits in excess of fifteen per cent, but not ex ceeding twenty per cent, tax will be thirty per cent. On profits in excess of twenty per cent on capi tal, but not exceeding twenty per cent, tax will be thirty per cent.

On profits in excess of twenty per cent on capital but not exceeding thirty per cent, tax will be affty per cent. On profits in excess of thirty per cent on capital, tax will be sixty per cent.
For small businesses with capital of not less than

\$25,000 and under \$50,000, twenty per cent on all profits exceeding ten per cent will be taken instead of wenty-five per cent, as at present.
Under legislation of last session the maximum

scale of business tax is in effect this year, and the modified tax will apply to 1920 profits taxable in 1921.

TARIFF CHANGES.

The seven and a half per cent war customs duty taken off all remaining items. Last year the five per cent British preferential war tax was entirely moved, as well as the seven and a half per cent on food, clothing, agricultural implements, etc. The war customs duties imposed in 1915 are now entirely re Sir Henry also announced that public siftings for

tariff revision would be held throughout Canada after prorogation. "Our policy," he said, "calls for a thorough revision of the tariff with a view to the adoption of such reasonable measures as may be necessary. Articles of luxury, Sir Henry said, should be heavily taxed. Food commodities and other necessaries of life, not produced or manufactured in Canad should, if taxed at all, bear only such imports as were Two cents for bills of \$100 or less, and two cents | necessary for revenue purposes.

HITS CONSUMER **AS USUAL WITH** LUXURIES' TAX

Union Govt. Budget Adds Burden To Careworn Housewife.

TOILERS MUST PAY

Shoes and Clothing Taxed As **Luxuries Under Drayton** Proposals.

[Special to The Advertiser.]
OTTAWA, May 18.—The first budget
of Sir Henry Drayton, minister of
finance, delivered this afternoon in the
House of Commons, further illustrates the old and time-worn adare that the consumer always gets stung. Its affects will be felt almost immediately by the already harrassed and careworn housewife, and the salaried man, who has been endeavoring to cope with the ever-increasing cost of living, for its provisions go into force automatically. In fact, it is a high-cost of-living budget pure and simple. But instead of undertaking to reduce the high cost of living it will very substantially increase it.

In order to arouse the people to further heroic deeds of sacrifice, Sir Henry stripped the financial statement of the Dominion of all the pitiful and deceiving camouflage with which his the old and time-worn adage that the consumer always gets stung. Its

of the Dominion of all the pithil and deceiving camouflage with which his predecessor, Sir Thomas White, had during all the years of war attempted to hoodwink the public. He declared that the national debt, instead of standing at something short of two billions, actually amounted to two billions and a quarter because of the lions and a quarter, because of the fact that the Canadian Northern and other white elephants acquired by the Government which had in the past been balanced off as assets were really non-realizing so far as interest is concerned, and were really liabilities. He announced further that, in spite of this serious burden of debt, the Government proposed this year expending the enormous sum of over halfy a billion dollars. Cheerful Declaration.

It was a cheerful declaration indeed But the minister was very hopeful very optimistic. What the gallant soldiers of the Dominion had done toward winning the war they could do toward whittling down the national debt, and paying for the Government's modest ex-penditures. What their dependents had suffered trying to eke out an existence on a stationary separation allowance on a stationary separation allowance they would not mind suffering again in order that the interest on the bonds purchased by the profiteer should be duly met and paid. In fact, he had no apprehensions of the future at all. These, it may be admitted, were not his exact words, but that is just about what it amounts to. what it amounts to.

what it amounts to.

The excess profits tax (which has since the war commenced, reaped but the miserable sum of a \$125,000,000 at the outside), has had the sting taken the outside), has had the sting taken out of it, and has been much reduced. It was really a very irksome tax to those who made excess profits during the war, and while it is to be continued for the accounting period of 1920, the force of it has been much reduced. The 7½ per cent war duties are to be entirely abolished, and that is supposed to be some relief to the

general public, but the 10 per cent exchange will act perfectly well in its place so far as protection is concerned, so the consumer can look for little relief in that direction. The income tax has been bucked up, and will hit the man of moderate means as hard as the man of wealth.

So-called Luxuries.

But the crowning exploit of the new minister of finance is his so-called tax on "luxuries."

Probably the average man is not much concerned over the imposition of a tax of 10 per cent on yachts, motor-boats or expensive automobiles. Neither, it may be said, will the average rich man. It is also possible that there will be no kick against a tax of 20 per cent



Gillette Brings Down the Budget

TODAY in 20,000,000 homes, the Gillette Safety Razor brings down the cost of shaving. The only increases are in Comfort and Shaving.

As in the past, those who sit and wait for others to shave them will be subjected to the normal fee, an optional tip and a heavy tax on time, while only Gillette self-shavers will be exempt from Stropping and Honing duties.

It is obvious, under the general budget, greater production, and increases in the number of working hours will be necessitated, so that the ten minutes that can be saved every morning by Gillette Shaving advance in relative importance.

The price of the Gillette Safety Razor is still Five Dollars.



Canadian people in the existing struggle for commercial and industrial suremacy. To Adjust Tariff. "As a means of raising revenue," Sir Henry added, "the tariff should be so adjusted as to place the chief bur-HON. W. S. FIELDING REPLIES

OTTAWA. May 18—(By Canadian Press)—introducing the resolutions embodying his tax proposals at the end of his formal budget speech today. Sir Henry Drayton expressed the belief that the Canadian people would meet the task of liquidating Canada's financial burdens during the coming year.

"Some people today think that the country is in a his fact 1 ton't' country is in the trading account for the last stabilized in an any interest to his sort of financing that the format is in the trading account for the last stabilized in an arrangement with the people of banks for the purpose of keeping up this propose of hons's ton't the cause is the propose of hons's ton't his fact 1 ton't' c

sented by these invoices.

To dlamond ring

How "Luxury" Tax Works

OTTAWA, May 18 .- Mr. R. W. Breadner, commissioner of taxation

Mr. Breadner said that each merchant selling goods that come under the new taxes would show the price of goods on his invoice and also the amount of tax, whether it was ten, twenty or fifty per cent. Two copies

for Canada, was asked tonight how merchants would proceed tomorrow morning in connection with the collection of the new taxes, which be-

of the invoice would be made out, the merchant keeping one. He would keep his copy in hand and ultimately hand it over to the inland revenue

department. The department would then collect the money as repre-

To luxury tax, fifty per cent 250.00

Mr. Breadner was of the opinion that the matter would work out all right, and that ofter the first day or two there would be little confusion

come effective as soon as business opens tomorrow.

TO DRAYTON BUDGET PLANS OTTAWA, May 18 .- (By Canadian tion, had been sold by the Govern-



10-DAY PianoSale

Our financial year has ended and all our surplus stock must be cleared at once regardless of cost, to make room for new stock arriving daily from our Toronto factories.

Look over these sensational bargains and pick out the one you desire and call, write or phone and we will reserve it for you.

\$1,250 HEINTZMAN & CO. PLAYER PIANO

\$550 CLASSIC PIANO

Made by Mason & Risch Company; in

price \$395

SALE PRICE, \$895 EASY TERMS

R. S. WILLIAMS & CO. UP= RIGHT GRAND

In burl walnut case. Would cost new today \$575. Sale price \$275 EASY TERMS.

LARGE UPRIGHT PIANO Made by the Williams Company.

\$295 A real bargain EASY TERMS.

\$450 DOMINION PIANO

In dark rosewood; a snap \$276

EASY TERMS.

WEAVER PIANO Made by Weaver & Co. \$224 Hamilton. Special at.....

EASY TERMS.



\$900 JACOB BLUNDELL & CO. PLAYER PIANO

SALE PRICE \$695

EASY TERMS

THREE SQUARE PIANOS

Thus, anyone getting a \$50 suit will get a bill reading: The man who buys a \$200 phonograph will receive a bill reading: To phonograph \$200.00 To luxury tax, twenty per cent 40.00 Total \$240.00 The man buying a \$500 dlamond or gold ornaments costing this YE OLD FIRME

HEINTZMAN & CO.

242 Dundas Street

London, Ont.

COUPON

If you are interested in any of these bargains fill our eoupon and mail it to Heintzman & Co., London, and we w mail you full particulars.

NAME