

us, upon the large is unfair. But this is accompanied by the belief that a turnover tax would provide such a revenue as to displace the excess profits tax. I believe it would only provide a substratum of tax revenue, in which it is true that all would join alike, paying in precise proportion to their expenditure for commodities, but the manner in which those who have larger incomes would be taxed through the income tax would provide for that difference in treatment which modern taxation recognizes. A small tax on the sales of commodities and real property in Canada would hurt so little, would be so fair, would be so easily collected, and would produce such a very large sum, that to fall to levy it seems excusable only if it can be shown to be impracticable.

Surplus Profits Tax.

We are levying heavy surplus profits taxes, and many well-intentioned people think that we are justly punishing the so-called profiteer, but we are really killing the goose that lays the golden egg. When he can do so, the profiteer passes the tax on to the consumer and escapes punishment himself, and the tax thus becomes a boomerang as far as the public are concerned. If we clearly know what we mean by a profiteer, and can find him, let us punish him in such manner that the penalty imposed cannot be passed on to the ultimate buyer. But in ordinary cases, which affect by far the greater part of the business community we are taking from enterprise the profit with which further enterprise would be created. It is from the accumulated profits of a business that growth both of plant and scope of operations mostly becomes possible. What do we think will happen if we steadily take such a large share of that profit away? It will be said that some concerns make too much money. But, as we argued a year ago, that should be demonstrated by the relation of not profits to capital but of profits to turnover, measured again by the proportion of possible turnover to capital. The manufacturer who turns his capital over many times, serving the public for a trifling profit on each sale, but making a large return on his capital because of his skill and activity, should surely not be punished by excessive taxation for being an excellent servant to the people. The tax is universally admitted to be unscientific and will do incalculable damage if continued. It was justified only by war conditions and only for the period of their duration.

The surtax features of the income tax when carried to the extreme percentage now in effect are little less unwise and unfair than the excess profits tax. Those who are large shareholders in business enterprises should be ready to take up new share issues in such enterprises, as extensions may prove necessary. Taxation which first takes a large share of the profits from the company, and then a large share of the dividends of the same company because they happen to be part of a large private income, may seem to be sound policy to many, but if we seek in the general good, it is deadly in its effects upon business enterprise and industry. I believe every good citizen in Canada wishes to pay his part of the cost of the war. He only desires that his ability to pay shall be regarded. A tax on the turnover of business transactions would punish no one, and yet would mean the reaching of a most important sub-stratum of the national income, the creation of a new tax everybody has joined. Upon real luxuries an excise tax might well be placed without resulting injury to trade. The articles selected should manifestly be luxuries in the strict sense of the term and clearly recognized as such by the general public.

Profits and Taxes.

We are at the moment having illustrations both of the injustice and of the unreliability, as a form of government income, of the excess profits tax in Canada and the United States. Business men who, in a time of high prices would not regard whatever value they might put upon merchandise in stock at the close of their financial year as anything but a pro forma method of closing their books, and who would keep large balances in Profit and Loss Account as a contingency against a fall in prices, are forced to fix a price for such merchandise, and also to fix, to the satisfaction of the government, the reserves to be kept against such revaluation. As a result, in the United States at the moment, countless firms who in the great fall in commodity prices have lost a large share of all they had made in several past years, look in vain for that so-called "excess profit" which the Government exacted from them, and I fear that there are at least a considerable number of business establishments in Canada in the same predicament. The government is to be a partner in the business when profits are made, but not when losses are made. It is obvious that such a form of revenue must be subject to too great contingencies to be reliable. The interest of all we must find a system of taxation which will do the least possible mischief to enterprise, instead of making men unwilling to take any risks because the Government seizes so much of the results when there are any and does not share either the risk or the loss.

Increase National Income.

While we must for the time being levy enough taxes in some form to pay our interest charges, and to make, as we hope, some steady if slow reduction of the national debt, we should always bear in mind that it is only by the growth of our national income that we can expect again to reach a time when taxes will not be a drag upon our prosperity. We need more people upon the land, but we need more industries as well. We pay yearly vast sums for imports, many of which should be unnecessary. We have untouched stores of raw materials for many kinds of manufacturing, the non-use of which is even more serious to Canada from the point of view of national finance than unploughed land. We export food by which our foreign debts are partly paid, but we import what we could produce ourselves and thus create foreign debt. The present high rate of exchange on New York is the concrete expression of this debt, not only that being created today, but in the form of annual interest payments, of all the foreign debt we have created in the past.

Research Work Imperative.

We have iron ores in plenty, but we do not spend enough on research to ascertain their status in relation to other ores in the United States on which we steadily depend. We have about 15 per cent. of the coal area of the world, so far as such areas are accurately known, it may be that science cannot remove impurities and reassemble the coal so as to make transportation charges possible, and thus relieve Ontario of its great drawback, and the nation of its vast expenditure for the importation of this article, but research should be persistent until we are assured that such is the case. We have lately developed manufacturing processes in which chemistry is the main feature and others dependent

on cheap water-power, and through these the triple benefit comes to us of giving employment, enlarging the market for those who sell food and the other necessities of life, and of offsetting or lessening by the selling value of the home-created product, the cost of those imports which are the main cause of our present difficulties. We are very glad indeed that our Dominion and Provincial Governments all spend large sums of money in educational and other ways, to aid agriculture. The Dominion Government and some of the Provinces also do something in the way of research for other industries, but we have come to a juncture where, along with the ordinary desire for progress, comes the heavy pressure of national debt which can only be relieved by increased production. For this we need research in countless directions, and in addition to what is now being done, I hope liberal aid will be given to all of our universities and that the scope of our Government research work may be enlarged.

Trade With West Indies.

A very interesting convention took place in May and June, at which representatives of the West Indies and British Guiana met the Canadian Government in an effort to increase our trade with each other and improve our means of intercommunication. It is said that this is the first time that representatives of all the islands and of the adjacent mainland have met together, and it is gratifying to record that these colonies, which form in one sense a unit of the Empire, came together to discuss Imperial questions with Canada. As a result, an agreement between Canada and some of the West Indian group came into force on 2nd June, and a further agreement, which included the remaining members, was made on 18th June, subject to ratification by all the parties thereto and in which all of the delegates present at the conference concurred. These agreements are based upon an increase of the mutual preference now granted, an enlargement of the list of products to which the preference extends, an on co-operation in procuring and maintaining better steamship transportation, and, if possible, better cable communication. If we consider the adjacency of the United States to the West Indies and the special relations to the latter of the great fruit company with its lines of steamers, we can readily understand the our hope of a large trade with these parts of the Empire depends on the steamship and cable services we are able to create and maintain. Nothing but the best both in kind and in administration will be of much use. In addition to this West Indian Convention, we had the Imperial Press Conference and the Congress of the Chambers of Commerce of the Empire. We cannot doubt that such meetings of men important in Imperial affairs will both widen our outlook and strengthen our determination that the British people shall merit the leadership in the world's advancement.

A Year Book.

Over thirty years ago this Bank began the practice of presenting at the annual meeting, in the addresses of the President and the General Manager, a review of the industrial conditions of the area in which the Bank was interested. As this widened from Ontario to other parts of the Dominion, and as the Dominion and to various parts of the United States, later to Great Britain and Newfoundland, and now to the West Indies and South America, it has been necessary to change the manner of imparting this information to our shareholders and to the public. Until 1918 the Bank incorporated it directly in the addresses was continued. Then it was decided to present it in what has been called a Review of Business Conditions, in the extended form in which it reaches us from the Superintendents and other officers who make these annual reports to this Office, and this has been supplied with the annual report to the shareholders and the public. About four years ago the bank found it desirable to establish its Monthly Commercial Letter, which has made for itself a very extensive circulation, and it has now been concluded to publish as early as possible after the annual meeting a Year Book, in which the Review of Business Conditions, now grown to larger proportions than ever, will appear together with material of special interest gathered from the Monthly Commercial Letter and from other sources.

The Sin of Extravagance.

Among the lights and shadows of the world there are at the moment too many shadows to warrant anything but anxious care. You have heard from the General Manager the results of the best year the Bank has ever had, and thus far we have not much evidence of a decline in the spending habits of our people or that hard times are ahead of us. We know, however, that here as elsewhere all prices, whether of commodities or of labor must be reduced to a more reasonable basis, and the effect of the world's lower price for farm products is already plain to all. When this readjustment has reached the retail shop and a new basis of values has been generally accepted, a genuine prosperity will arise throughout the world in which we shall have a large share. We shall merit and we shall secure that prosperity in proportion to our good sense in extravagant expenditure and willingness to incur debt.

The report was adopted unanimously. Messrs. P. Harry Webb, C. A., and Douglas Dewar, C. A., were appointed auditors, and the usual votes of thanks to the director and staff were passed. The meeting then adjourned.

CAR PASSES OVER MAN AND IN HALF HOUR HE IS HAULED FORTH ALIVE

Jersey City, N. J., Jan. 13. — R. L. Humphreys, of Ridgewood, N. Y., fell from the platform in a Hudson-Manhattan tube station here, and the first car of a train passed over him. Women on the platform and in the train fainting and thousands of New Jersey commuters jammed the station during the jam that followed. After a half hour the car was lifted and Humphreys was hauled forth—alive and apparently none the worse for his experience. Although he said he wanted to go home, he was taken to a hospital for examination.

A YEAR OF PROMISE

(Canadian Finance)
"If you think you'll lose, you're lost. For out of the world we find Success begins with a fellow's will. It's all in the state of the mind."

The poet who penned the above mentioned lines, gives us the cue for 1921. This year in this great country will be for us just what we make it. All we need is Faith coupled with hard work, a bountiful Providence has provided the rest. The future is ours and we must march forward unflinchingly.

NEW GOLD FIELDS FOUND IN CANADA

Managing Director of Manitoba Mine Anticipates Claim Rush.

(Montreal Star.)

Confidence in the great mineral wealth of Canada, and in the assumption by Canada before ten years have passed of the premier position as a gold-producing country in the world, was expressed to the Star by John Beckman, a visitor at Freeman's Hotel, who is the managing director of the Pan Extension Gold Mines, operating in Rice Lake mining district with headquarters in Winnipeg. The mine was opened last winter, with a plant costing \$750,000 and a shaft has already been driven to the 200 foot level. The vein in this mine curiously enough is practically vertical and the shaft has been driven right down the centre. The ore so far obtained is of exceptionally high grade, yielding so many dollars to the ton that it has been found possible to ship the metal to the smelters, instead of milling on the spot.

The Rice Lake mining district is situated about thirty miles east of Lake Winnipeg and 100 miles north of Winnipeg, being only 45 miles distant from the end of the steel. Gold is by no means the only mineral which is found here in abundance, nickel and copper existing in large quantities. A New York syndicate has recently opened workings on a large copper ore body some 300 feet wide known as the Elm-Flou.

A big rush to the district is already starting, said Mr. Beckman, and it is anticipated that in the near future the field will resemble the Northern Ontario field of twenty years ago. The forty-five miles between railroad and the mines are covered in three stages by a good coach service so that severe weather is no deterrent to the prospector.

The formation of this field," said Mr. Beckman, "is similar to that of Porcupine and Cobalt in Northern Ontario and Kalgoolie in Australia. It has been demonstrated that veins of gold and silver extend to great depth, and very rich veins have frequently been found in this class of rocks. Our discoveries have developed a vein of ore running as high as \$50,000 to the ton in gold have been discovered, while the average across the vein at the 120 foot level is \$20,000 to the ton. The average of the Rand in South Africa, the greatest gold-producing country in the world, was from six to nine cents. The average of the big gold-producing centres of the world, and there is every reason to believe that, with development, it will rival the Rand. Porcupine or any of the leading gold camps in the production of the yellow metal. In my experience the prospects of this field are unique, and there is no doubt that up-to-date we have made finds as good as, or better than, those of any camp at the same stage of development."

Mr. Beckman has been engaged in mining for the last twenty years in Nevada, California, British Columbia and in other parts of North America. He was for some time connected with the Mayflower mine in Nevada.

"FLU" EPIDEMIC UNLIKELY.

Surgeon General Cummings Does Not Look for Recurrence This Year.

"There is absolutely no way of definitely foretelling whether this winter will witness any recurrence of influenza epidemic form," said Surgeon Gen. H. S. Cummings of the United States Public Health Service, in a recent statement. "As a result, however, of very careful analysis of the epidemiology of influenza, especially as the result of intense studies in homes where influenza occurred in 1918 and 1919, it may be stated that an attack of influenza appears to confer a definite immunity to subsequent attacks; an immunity lasting for several years."

Inasmuch as the epidemic of 1918 and 1919 affected so very large a proportion of the population there would seem to be reasonable grounds for believing that even should the 'flu' become prevalent here and there, it would not assume the epidemic proportions of the last two years, nor would it rage in such severe form.

"It is unfortunate that the public becomes so intensely interested in special epidemic outbreaks of disease and is so little moved by the daily occurrence of many preventable deaths in all parts of the country. Of the 1,250,000 deaths occurring in the United States annually, at least 100,000 could easily be prevented by the application of available medical knowledge. For example, one of the diseases which becomes prevalent about this time of the year is diphtheria. This disease is responsible for about 15,000 deaths in the United States annually. Practically every one of these deaths could be prevented, for not only have we an effective anti-toxin for treating the disease when it occurs, but what is still more important, we are now able by means of a simple skin test to determine which children are susceptible to diphtheria, and this ascertained, we can effectively immunize them so as to protect them against this disease."

"The 10,000 or more deaths from typhoid fever that occur annually in the United States could also be largely prevented if communities everywhere would make certain that their water and milk supplies were protected, and if simple precautions were taken in homes where typhoid fever occurs. It is encouraging to know that smallpox has been so well controlled that at present the average deaths in the United States number only 400 annually. Nevertheless, these 400 deaths are entirely unnecessary, for vaccination has long shown itself an effective means of control."

In almost every community in the country the wastage in infant lives is

Sis says I eat POST TOASTIES

like a snow-storm—cause I make the flakes fly—says Bobby

Best Corn Flakes Made

CLEARING SALE

OF

Dresses, Suits and Coats

Entire Stock of Fashionable Garments at Unheard of Values

YOUR OPPORTUNITY TO SAVE MONEY AT THIS SALE

Regular \$18.00 to \$20.00 Coats.....	Sale Price \$15.00
Regular 22.00 to 27.00 Coats.....	Sale Price 18.00
Regular 33.00 to 37.50 Coats.....	Sale Price 27.50
Regular 49.00 to 52.00 Coats.....	Sale Price 37.50
Regular 56.50 to 69.00 Coats.....	Sale Price 49.00
Regular 77.00 to 93.00 Coats.....	Sale Price 59.00
Regular 15.00 Serge Dresses.....	Sale Price 10.00
Regular 18.00 Serge Dresses.....	Sale Price 12.98
Regular 20.00 Serge Dresses.....	Sale Price 14.98
Regular 25.00 Serge Dresses.....	Sale Price 17.75
Regular 28.00 Serge Dresses.....	Sale Price 20.00
Regular 30.00 Serge Dresses.....	Sale Price 23.50
Regular 40.00 Serge Dresses.....	Sale Price 28.50
Regular 49.00 Serge Dresses.....	Sale Price 37.50
Regular 32.50 Pleated Serge Dresses.....	Sale Price 25.00
Regular 25.00 Jersey Dresses.....	Sale Price 18.50
Regular 20.00 Silk Dresses.....	Sale Price 14.75
Regular 25.00 Silk Dresses.....	Sale Price 18.50
Regular 30.00 Taffeta Dresses.....	Sale Price 23.50
Regular 36.00 Silk Dresses.....	Sale Price 26.50
Regular 35.00 Georgette Dresses.....	Sale Price 25.00
Regular 38.00 to \$40.00 Georgette.....	Sale Price 29.00
Regular 18.00 Silk Poplin Dresses.....	Sale Price 8.50
Regular 15.00 Silk Poplin Dresses.....	Sale Price 10.00
Regular 18.00 Silk Poplin Dresses.....	Sale Price 12.98

J. PERCHANOK, - - 38 Dock Street

still enormous especially when contrasted with that in New Zealand, for example where the death rate is only 50 per thousand births in the first year of life against 100 in the United States. Commenting on this, Surgeon General Cummings said: "The expense of life saving through the prevention and control of disease by well-directed health measures is very small indeed when contrasted with the saving effected. It would strongly urge the people of this country to recognize the fact that expenditures in this direction constitute the most profitable form of investment. Effective measures of health conservation constitute a most urgent need of this reconstruction period."

RIBBON FISH'S ODDITIES

Multicolored Marine Specimen Has a Mane on its Back

"The ribbon fishes," said John T. Nichols, head of the department of recent fishes at the museum of Natural History, New York, "are perhaps the least known of the larger marine species. They are elongate, flattened from side to side with a mane-like fin on the back. Specimens are fifteen to twenty feet long, being from ten to twelve inches deep, and about an inch or two broad at their thickest part. They have big eyes and small mouths."

Very few specimens ever come to light, and these are usually washed up on some shore, or are found floating at the surface in a dead or dying condition. The larger ones are known to grow to be twenty feet or so in length, and very likely attain a considerably greater size. This is a matter of pure conjecture. Young individuals of some of the species but a few inches long are not rarely met with near the surface.

They possess extraordinary elongated fins—fins several times larger than the body from which is being argued that they must live in deep water or these adornments would be broken in the turbulent surface. The habit of the adults is really not known with any degree of precision, although indications are that they too, swim at considerable depths. There is always the chance of finding one washed up on any beach, but it is under flowing artful cliffs of along the sun-baked sands of the South Seas. If the traveler comes across one it will be well worth while to draw up a careful description of it to augment the scanty records in the archives of science.

The colors of these great eel-like creatures which are washed up from out of the ocean from time to time are often as beautiful as their form is strange. We have the following description of one about seven feet long which came ashore at Long Key, Fla., last March: Body lustrous blue, sparkling like diamonds, lighter on the under parts, a number of jet black irregular streaks and blotches on the front half of the body, length and rays of back fin blotched with bright red, crimson, burnt orange and blue; remainder of this fin more or less translucent like thin white silk and paired fins on the lower surface blotched in similar fashion their widened tips with a large eye-like spot of lurid blue like a peacock's feathers blending with many colors toward the edges, a band of black one-quarter of an inch wide around the eye.

A small species a foot or two long which has been taken several times on our Pacific Coast is said to be known by the Indians west of the Straits of Fuca as "King of the Salmon." They maintain that when this king is killed the salmon will cease to run.

Although eel-like in shape, these fishes are in no wise related to the true eel, or to the eel-like forms which have been developed by several groups of unrelated in the evolutionary struggle for existence that when cornered they can readily make their escape through the smallest loophole.

CENTRAL WILLING WORKERS.

The annual meeting of the Willing Workers of the Central Baptist church was held last night in the mission room of the church and reports were received of the most successful year of the organization. The sum of \$1,036.69 was raised by the society during the year. Commenting on this, the officers elected for the coming year were as follows: President, Mrs. Fred Z. Allwood; first vice, Mrs. N. E. Campbell; second vice, Mrs. H. C. Fawcett; secretary,

Miss Brundage, treasurer, Mrs. Edith Stevens; work committee, Mrs. H. D. Everett, Mrs. N. E. Campbell; lookout committee, Mrs. F. H. Bone, Mrs. W. Smith, Mrs. J. H. Bond, Mrs. R. D. Christie, Mrs. Stackhouse, Mrs. George Colwell and Mrs. G. Scaplen.

President F. Robinson, S. J., of St. Louis, University, announces a donation of \$20,000 and another of \$10,000, together with an endowment fund of \$15,000, all by an unknown man whose name cannot be revealed until his death.

Hard Work.

An advertising manager was going home one night in a car. It was raining and the man who sat next to him began to talk. "What business are you in?" he asked. "The advertising business," he replied. "I used to be in the advertising business myself. I gave it up, though, and went into the rag-and-bone business. I was a sawdust nut for a theatre for six months. Sand, and he leaned over confidently, 'ain't it hard work when the wind blows?'"

Strengthen Your Business "Morale"

Soldiers know what it means when an army's "morale" is shattered.

The fighting spirit is gone, the men invite defeat.

What is true of military forces is true of some industrial armies.

At the first serious jolt their morale weakens—hope flies, courage disappears—their fighting spirit is lost.

There is no place in business today for the "calamity howler." He is drawing salary or wages under false pretences. More distressing still, he is weakening the "morale" of other workers, and of the business itself.

Strengthen your business morale.

Take stock of your men as well as your goods. Retain enthusiastic, profitable workers even at a temporary loss.

Venture into new fields for business.

Trade and Prosperity are interdependent. The sooner Capital, Labor and Management realize this the quicker will conditions improve.

Tell the story of your business and its products in the newspapers

Advertise—Create Sales—Stimulate Trade

Issued by The Canadian Daily Newspapers Association, Toronto.