

try is all right, but future budgets must necessarily reckon with public opinion on the tariff question.

#### Increasing the Circulating Medium

A CLEARER idea of just what Canada's increased business means may be had from a few figures showing the expansion along certain lines. For example, during the past five years no less than \$375,000,000 has been added to the invested capital in the country, of which all but \$25,000,000 has been directly invested in commercial enterprises. Life insurance has gone ahead by leaps and bounds. The policies in force at the end of 1902 amounted to \$508,794,000, and several Canadian companies are extending their business to other countries outside of Canada.

The Dominion Government will increase its currency issue by \$11,500,000. Of the Dominion notes, chiefly the one and two-dollar denominations, there is at present some \$34,500,000 in circulation, and by converting its guaranteed debentures into reserve the Government will be empowered to issue currency up to the full limit of \$46,000,000. From these notes, of which it has a monopoly, the Government earns a good revenue and greatly facilitates the banking and general business of the country.

What the Government is doing the banking institutions are also doing. A considerable number of the leading banks are increasing their capital in order to issue more notes, the necessity of which has been caused by the absorption of capital into various industrial enterprises. Under the laws of the Canadian banking system, chartered banks can issue only up to the amount of their paid-up capital, which at present is \$72,856,000. Some tightness has been felt in the money market, and more currency and notes in circulation will be a welcome relief.

#### A Nation, Not Merely a Colony

WHEN so eminent an authority as Benjamin Kidd, the great sociologist, says that "Canada is no longer a colony, but a nation," some significance attaches to the statement and the facts behind it. Substantially Mr. Kidd is correct. The inherent idea of nationhood is the common political institutions of a country, and the commonalty of the people. In this latter respect Canada is fully entitled to the claim of nationhood, for despite the rapidly increasing immigration of foreign races, eighty-seven per cent. of our population is native born. In the United States there is a much larger proportion of the foreign element, which in all the larger cities varies from seventeen to thirty-five per cent. of the whole.

Industrially, Canada's claims to nationhood are the result of her agricultural resources. The wheat fields have been our great advertisement. In this connection, the testimony of the *New York Financier*, an able financial journal of wide influence, will be of interest: "The centre of agricultural development within the next five or ten years will be transferred to Canada. . . . The rush to Canada is not a temporary craze. It will continue because the farmer finds there some of the finest wheat lands in the world, and as was the case with the western United States, there will be no cessation until the free territory is exhausted. The future of Canada, once regarded as unpromising, has suddenly assumed a brighter phase. Those who express doubt as to the permanency of the agricultural migration, because of different forms of government, do not grasp the situation."

#### The Bugbear of Americanization

THE fears of some over-cautious Canadians that the increasing influx of settlers from the United States will lead to the Americanization of Canada