DOMINION'S RETURNS FOR FISCAL YEAR

Hon. W. T. White's Budget Speech—Details of Estimates—Trade Agreement with West Indies and Tariff

Hon. W. T. White, in his budget address, first dealt in detail with the revenues and expenditures of the fiscal years 1910-11 and 1911-12. The total revenue of the former period was $117,780,409, and of the latter $136,108,217. In ten years, he pointed out, the revenue of the country had doubled as a result of the increase of population and the development of great enterprises, such as the Transcontinental Railway. The ordinary expenditure of 1911-12 was $98,000,000, or a million more than in 1910-11.

The expenditure, the minister added, had slightly more than doubled in twelve years. In 1911-12, therefore, there was a surplus of $37,946,776 of revenue over ordinary expenditure. At the same time there was capital expenditure of $38,980,641. There was an outlay of $1,156,456 on sinking fund, taking which into account the national debt was reduced $122,591.

Turning then to the fiscal year 1912-13, which closed on March 31, the minister estimated that the total revenue would be $168,250,000, or an increase over the previous year of more than $32,000,000. The increase in revenue for the one year almost equalled the total revenue of the country twenty years ago. The current expenditure for 1912-13 would not exceed $113,250,000. There would thus be a surplus of $55,000,000 against outlays upon capital and special accounts. These capital expenditures would probably not exceed $33,000,000, and, bearing in mind the investment of $1,300,000 in sinking fund, it would be seen that reduction of the net debt would amount to about $23,300,000.

Two Loans Had Matured.

"That we have been able in a period of great financial stringency," said Mr. White, "not only not to resort to the congested money markets of the world, but to reduce the debt of the Dominion, diminish our interest charges and enhance the standing of our securities, must be a matter of gratification for this house and the people of Canada."

Two loans had matured during 1912, the first a loan of £4,681,870 at 3¾ per cent., of which £3,563,858 had been redeemed in cash and £1,118,011 had been converted into 3½ per cent. long term stock. The second was a balance of £1,235,000 outstanding of the 4 per cent. loan of December, 1907. This was paid off in cash. Owing to the favorable state of the finances the government had been able to effect a saving to the Dominion by the purchase, under the legislation of the present session, of 3 per cent. 50-year debentures of the Grand Trunk Pacific, guaranteed as to principal and interest by the Dominion in respect to the Western division of the National Transcontinental Railway, with regard to which the Dominion, by virtue of a judgment of the Privy Council, was required to implement the net selling price so that the full par value would be obtained and applied in the construction of the railway.

Securities of the par value of $13,961,006 had already been purchased and further purchases would be made until the whole issue was acquired. If the whole £14,000,000 authorized by the statute was issued by the Grand Trunk Pacific, as seemed likely, the government would eventually hold $35,000,000, par value, of these securities. The Dominion had by the purchase avoided the necessity of placing guaranteed securities on the London market at a price which would have reflected upon the value of Canadian standard stock.

Forty Dollars Per Capita.

As a result of the reductions effected the net debt stood on March 31st last at approximately $316,619,460, or less than two years' revenue, or $40 per head of the population. Only two loans remained to be provided for until 1930; one of £1,700,000 was a portion of the 4 per cent. loan issued in 1878 which would mature in October, and for the payment of which provision would be made. The other, a 3¾ per cent. loan, was repayable on three months' notice between 1914 and 1919.

The finance minister dealt with the financial stringency abroad, and the consequent high rates of interest which some of the municipalities in Canada had been obliged to pay on new issues of securities. Canadian standard 3½ per cent. stock had suffered a slight decline, but on the whole had maintained a satisfactory level.

The fiscal year 1911-12 was characterized by a very considerable trade expansion, the aggregate of imports and exports totalling $874,637,790, or over $105,000,000 in excess of the previous year; and Mr. White was happy to say that the trade of the fiscal year just closed showed a still greater increase, the total volume amounting to more than one billion dollars.

Imports from the United Kingdom during the fiscal year 1913, amounted to $138,652,198 as compared with $116,906,-212 in 1912; exports amounted to $177,982,002 as compared with $151,833,379, and the aggregate trade to $316,634,200 as compared with $268,739,561. Imports from the United States for 1913 totalled $435,783,343, as compared with $330,428,502; exports totalled $150,961,675 as compared with $112,956,295, while the aggregate trade amounted to $586,-745,018, as compared with $443,384,795 in the year 1912. It would be observed that while imports from the United States had more than doubled in six years, our exports to the United States had increased but 50 per cent. But, as offsetting this so-called adverse balance of trade in favor of the United States of $250,000,000, there was to be considered the large augmentation of capital brought into Canada by American settlers.

The minister estimated that the 140,143 immigrants entering Canada from the United States last year had brought in capital and effects to the value of over $140,000,000.

Dealing with the fiscal year 1913-14, Mr. White said the estimates now before the House now provided for ordinary expenditure of $125,850,338, and capital expenditure of $53,-301,845. Besides there would be suplementary estimates and other provisions.

West Indies Trade Agreement.

As had been generally known, continued Mr. White, there was no tariff revision of far-reaching character in contemplation. He thought that tariff modifications should be made sparingly, if at all, until the period arrived for a general revision of schedules. The major part of the changes now proposed were those rendered necessary by the trade agreement between Canada and the West Indian colonies.

The new tariff duties, announced by the minister of finance in his budget, compare with the old duties as follows. Only the preferential and general rates are given here, except where the intermediate rate alone is changed:

Cocoa paste, etc., unsweetened, increased from 2½ and 3 cents to 3½ and 4 cents per pound.

Cocoa butter, reduced from 2¾ and 3½ cents to 1½ and 2 cents per pound.

Cocoa paste, etc., sweetened, increased from 2¾ and 3½ cents to 3½ and 4 cents per pound.

Cocoa and chocolate powders, increased from 15 per cent. and 20 per cent. to 20 per cent. and 25 per cent.

Chocolate preparations and confectionery, N.O.P., a duty of ½ cent, in addition to the present 22½ per cent., and 35 per cent.

Rice, flour, sago, cassava and tapioca flour and rice meal, ¾ cent and 1 cent. Cassava and rice flour are added to the old item.

Arrowroot is added at ½ cent and 1 cent.

Rice bran is added at 12½ per cent. and 17½ per cent.

Cattle food, containing molasses, added, at 15 per cent. and 20 per cent.

Crude tonquin, vanilla and locust beans are still free, but cocoa beans, unroasted, are dutiable under the general tariff at 75 per cent.

Limes, out of the free list, now dutiable under general tariff, at 10 per cent.

Nuts, reduced from 1¾ cents and 3 cents to 1 cent and 2 cents.

Cocoanuts, N.O.P., per hundred, reduced from 65 cents and $1 to 25 cents and 75 cents.

Cocoanut, imported direct under British preference, formerly 30 cents, now free. General tariff unchanged. Cocoanut, dessicated, preferential rate reduced from 3 cents to 2 cents.

Copra, not prepared, new item, free under preference, ¾ cent under general, per pound.

Sugar, Refined and Raw.

Sugar, refined, up to 88 degrees, general tariff, reduced from $1.08 to 93 cents. For each additional degree, general tariff reduced from 1½ cents to 1⅓ cents.

Sugar, N.O.P., drainings, molasses, etc., reduced from 31½ cents and 52 cents to 25 cents and 31¾ cents.

For each additional degree over 75 degrees, reduced from 1 cent and 1½ cents to ¾ cent and 1¼ cent.

Raw sugar, when imported, to be refined, up to the quantity of Canadian beet sugar refined in 1912 and 1913, changed from 31½ cents to 25 cents. For each additional degree over 75 degrees, reduced from 1 cent to ¾ cent. This item to expire December 31, 1914.

Molasses, of cane, between 20 and 35 degrees, added, at 1½ cents under general tariff. Free under the preference.

Shredded sugar cane added, at 12½ per cent. and 17½ per cent.

Sugar candy, etc., N.O.P., intermediate tariff rate increased from 32½ per cent. to general rate of 35 per cent.

Lime juice and fruit juices, intermediate, raised from 17½ per cent. to 20 per cent. per gallon.

Papaine, added, at 17½ and 12½ per cent.

Raw lime juice, general tariff, 5 cents, formerly free.