capital and special expenditures, to realize. Here is a matter of fact statement that the debt of the country has actually been scaled down by the amount of the surplus, and stands plainly to be seen at the reduced figure. This, which may escape the observation of those unaccustomed to analyse such annual statements, is to our mind a very striking feature, and one well worthy of note. It should not be lost sight of that the increase in Canada's revenue during the twelvemonth ending with March last over that of the previous year was over $32,000,000, which almost equals the entire revenue of twenty years ago.

The Minister gave a few additional details of the rather shrewd figuring which led the Dominion Government to purchase the 50 year 3 per cent, guaranteed at par, debentures of the Grand Trunk Pacific Railway, which will give the country the ownership of $35,000,000 of these securities, to the benefit of its dignity, and to its probable benefit in even more substantial directions.

There was little more in the financial exposure attempted in the Budget, which was brief and explicit, and not attended with any outbursts of political oratory.

Probably, to most people, the important part of Hon. Mr. White's Budget Speech of last Tuesday was that relating to our foreign trade. For the first time in history the aggregate has amounted to over a thousand millions of dollars in the year. The progress of our business was exhibited in the following table, which is illuminative in itself:—

	Imports.	Exports.	Aggregate.	Per cent value of Imports.
1908	$370,786,525	$280,006,606	$650,793,131	56.97
1909	309,756,608	261,512,159	571,268,767	54.22
1910	391,852,692	301,358,529	693,211,221	56.52
1911	472,247,540	297,196,365	769,443,905	61.37
1912	559,320,544	315,317,250	874,637,794	63.94
1913	691.943,515	393,232,057	1,085,175.572	63.76

Since it has been the privilege of the "Journal of Commerce" for years past to combat the theory Mr. White deals with in such effective style, we are pleased to be able to reproduce the following sentences from his speech, in dealing with these figures:—

"It will be observed that during the past three years the percentage of the value of imports to the aggregate trade has materially risen and in 1912-13 represented nearly 64 per cent of the total trade. This condition has called forth criticism on the part of some who put forward the view that, if imports continue to greatly exceed exports, a country may expect to be drained of its gold in order to meet its international obligations. Without attempting to deal with his 'balance of trade' theory, which has so frequently been shown to be illusory and misleading, it may be pointed out that in five years our total exports have grown from $280,000,000 to $390,000,000, and that, while our imports have increased in greater degree, explanation is to be found in the fact that during this period of rapid material development and national progress a vast amount of capital expenditure has been, and is being, made upon railway construction and equipment by our three transcontinental systems; upon great public works and undertakings; in industrial and commercial enterprise; and in municipal services and improvements to meet the needs of rapidly growing communities.

"The greater portion of the funds required for this capital and productive expenditure has been borrowed from the British public by the Government of Canada, by the several provinces, and by cities, towns, and railways, industrial and other corporations."

"The money so borrowed has come to Canada, not in the form of cash or gold, but in importations of commodities and of materials from Great Britain or elsewhere. In addition to this we must bear in mind the important fact that the stream of immigration coming to our shores from year to year, while bringing sufficient capital for its temporary maintenance and adding to our consumption, does not immediately become a producing element in the community. In the light of these considerations, it would appear that the apparent adverse balance of trade is due to causes making for the development of the Dominion, and need be the occasion of no anxiety."

At the risk of being tedious, we add the following short statement given by Mr. White, showing the great comparative increase in our trade with Great Britain during the past year:—

	Imports from G. B.	Exports from G. B.	Ag. trade with G. B.
1908	$ 94,417,314	$134,477,124	$228,894,438
1909	70,682,101	133.745,123	204,427,224
1910	95,336,427	149,630,488	244,966,915
1911	109,934,665	136,962,971	246,897,636
1912	116,906,212	151.833,379	268,739,591
1913	138,652,198	177,982,002	316,634,200

The changes in the Customs Tariff were of some importance, and will be found elsewhere in this issue of "The Journal of Commerce and Shareholder." Certain changes in the sugar duties, under which the Government relinquishes some $600,000 a year, will figure out at about 20 cents per hundred pounds, on the basis of refined. These were made necessary by the terms of the reciprocal trade agreement with the West Indies, and were described in the following set terms; the changes will leave the duties "on sugar above No. 16 Dutch standard, in colour, and in refined sugar of whatever kind, grade, or standard, testing not more than 88 degrees by the polariscope, for 100 pounds preferential tariff 72 cents, intermediate tariff 93 cents, general tariff 93 cents; and for additional degree over 88 degrees per hundred pounds, preferential tariff 1 cent, intermediate tariff 1 1-3 cents, and general tariff 1 1-3 cents.

"If my hon. friend will add 11 to the 72, it will give 83; if he will add to the 93, 1 1-3 upon 11, he will get $1.07 2-3, so that what I am proposing is a new rate, as the new rate is 82 cents per hundred pounds preference, and general tariff $1.07 2-3 on refined sugar.

I suppose my hon. friend would now like me to deal with the raw sugar. On raw sugar the former preferential rate was 52 1-2 cents and the general rate