

REVENUE AND EXPENDITURE OF THE DOMINION.

A table is appended compiled from the just issued Report on the Public Accounts of Canada. The growth of expenditures was from \$14,071,688 in 1868 to \$63,970,799 in 1902, with a closely corresponding growth in revenue from \$13,687,928 to \$58,052,333. The result of the financial operations of the several administrations that have governed the Dominion since Confederation has been, an increase of the net public debt from \$75,757,134 to \$271,829,089, being a net addition to the debt of \$196,071,955. The net rate of interest paid on the debt has, however, fallen since 1868 from 4.51 per cent. to 2.57 per cent.

This decline in the rate of interest makes so material a difference in the burden of the debt that, whereas the net interest on the amount in 1868 was \$4,375,149, the net interest on the net debt of over three and a half times as large was only about double the interest paid in 1868. In other words, the net interest on the debt since 1868 has increased by 100 per cent., whereas the debt itself has increased 386 per cent. How steadily a financial policy has been pursued since Confederation resulting in an annual increase of the public debt is shown by there having been only three instances of the debt being decreased since 1868, and then by only small sums, as in 1871 the debt was decreased by \$503,225, in 1882 by \$1,734,129, and in 1900 by \$779,639, making a total of \$3,016,994 against increases in each of the 32 years, the gross amount of which was \$159,117,442.

If, however, the public receipts and expenditures are considered from the standpoint of the Consolidated Fund, or, what may be regarded ordinary income and outlays, outside of those on capital account, the statement assumes a different appearance. The following shows the aggregate amount of the several classes of expenditures by which the public debt was increased between 1868 and 1901 :

TOTAL EXPENDITURES CHARGEABLE TO CAPITAL, 1868-1902.			
	\$		\$
Canals.....	62,990,679	Public Works...	11,877,469
C. P. R'way.....	62,752,243	Ottawa Bldgs...	2,589,941
Allowed to Provinces.	31,010,419	P. E. I. Ry.....	1,485,090
Dominion lands.....	4,960,586	N. W. Territories	3,793,625
Intercolonial, etc. Rys.	58,595,707	Militia.....	2,973,947
Total of above expenditures charged to capital, 1868 to 1902.....			\$243,029,711
Total increase of Debt, 1868 to 1902.....			196,100,448
Expenditures on above services from Revenue, 1868 to 1902.....			46,929,263
TOTAL EXPENDITURES CHARGED TO CONSOLIDATED FUND, 1868-1902.			
	\$		
Aggregate of the charges on Debt, 1868 to 1902....	301,170,152		
“ Subsidies paid to Provinces, “	130,370,210		
“ Sinking Funds, “	50,322,330		
“ Collection of Revenue, “	246,509,070		
“ Other expenditures, “	338,782,240		

Aggregate of Annual total expenditures on account of Consolidated Fund.....			
			1,067,154,002
Average annual expenditures of 5 years, 1897-1902..			44,267,000
“ “ “ 1892-1897..			37,566,000
“ “ “ 1888-1892..			36,550,000
“ “ “ 1882-1887..			34,109,100

RECEIPTS ON ACCOUNT CONSOLIDATED FUND.			
	\$		
Aggregate taxes collected from 1868 to 1902.....	877,702,640		
“ receipts from various sources 1868 to 1902.	240,779,740		
Total Revenue Receipts, 1868 to 1902.....	1,118,482,380		
Average Receipts of 5 years, 1897-1902	49,778,000		
“ “ 1892-1897.....	36,600,000		
“ “ 1888-1892.....	38,015,000		
“ “ 1882-1887.....	33,870,000		

Since 1868 there have been 23 occasions on which the revenue account for the year has shown a surplus, and 12 on which a deficit was recorded. These various results were in groups of years as below :

SURPLUS AND DEFICIT RETURNS, 1868 TO 1902.			
	Surplus.	Deficit.	
	\$		\$
Aggregate Surplus, 1868 to 1875.....	12,010,707	
“ Deficit, 1875 to 1880.....		7,970,186
“ Surplus, 1880 to 1884.....	18,267,843	
“ Deficit, 1884 to 1886.....		8,074,631
“ Surplus, 1886-1887.....	97,313	
“ Deficit, 1887-1888.....		810,031
“ Surplus, 1888 to 1893	9,497,206	
“ Deficit, 1893 to 1897.....		6,214,741
“ Surplus, 1897 to 1902.....	27,554,907	
Totals.....	67,427,976	23,069,689	
Excess of Surpluses over Deficits.....			44,358,387

Opinions differ in regard to the proper sources of revenue; the extent of taxation; the amount that should be annually expended; the proportion of such amount that ought to be charged against the year's Revenue and the sum properly chargeable to Capital; but there can be no division of judgment in regard to the point that Canada, despite its enlarged debt and its increased annual taxation, is in a far sounder financial position than at Confederation, for the sources from which the public revenue are derived, that is, the trade and the income of the country, have increased in productiveness by a very much higher ratio than the public revenue, expenditures and burden of debt.

THE ACTION OF THE METROPOLITAN in temporarily waiving that condition in its policies which relates to cancellation in event of non-payment of premiums has been of the utmost benefit to its policyholders in the coal regions, where the concession was operative. The following letter from an agent illustrates a case in point: "Only this morning a lady called at this office whose husband was accidentally killed and whose policy had been lapsed since April. The lady herself had been sick and with two small children to provide for. She wanted us to help her to the extent of \$60. It was our pleasure to say that the Metropolitan would pay her the full amount of the industrial policy held by her deceased husband, amounting to \$500." — "The Spectator."