

well are impossible, because of the exceeding onerousness, if not the impossibility, of meeting the obligations that have already been incurred? Everybody knows they are there for use if an election should be precipitated. All that the financial situation justifies is that they be cut out.

GOING DOWN.

With the war still continuing we may expect for next year diminishing imports and consequently reduced revenue as compared with the present year in which there have been four ante-bellum months.

Observe that we are still to have diminishing imports. The estimated decrease must be looked at by the candid citizen in the light of the discrepancy between the estimated war expenditure of thirty million dollars until March 31, 1915, and the actual fifty millions.

WHAT DID JANUARY MEAN?

Upon the present basis of duties of customs and excise we estimate that our revenue from all sources for the coming year would not exceed \$120,000,000.

The Minister estimates a drop of a further ten millions only, on present scale. The drop in January was just about two millions. Now that we are being told that the burdens will increase, are the imports likely to fall off in smaller ratio than they did in the month of January? How far have we been helped to realize the magnitude of the financial burden which an exploded boom and a still exploding war have forced upon us? As the Toronto Globe said: "We have got to pay for a boom and a war at the same time." The country can stand a strong dose of candor.

IS NATION A CHILD?

At the outbreak of the war it would have been premature to have brought forward measures which to-day have been long foreseen by public opinion to be necessary and indeed inevitable. It would also have been most inopportune and expedient, by reason of the profound dislocation and disorganization of business caused by the war, and the shock to financial stability which

the Dominion was so suddenly called upon to withstand.

Here is another glimpse of the key to the interior situation of the Government in the early months of the war. The Minister had just spoken of the wonderful enthusiasm with which we began the war. Now he naively intimates that he was afraid to say last August that we would have to shoulder direct taxations and loads, the magnitude of which he is now beginning to confess. It is the old story—you must not tell the public the truth about its own affairs at a time when it may not be pleasant for it to hear.

It may be that the nation is childish—it may not be. It is scarcely prudent of the Minister of Finance to tell it so, when its sons are being killed in battle. The event always shows that a Government can always afford to be candid with those who create and who can destroy it. The simple truth is that this refraining from warning the public was due to the initial serious miscalculation which solemnly estimated to the nation that thirty millions would carry its part of the war till March 31, 1915—this a few days before Premier Asquith assured the Empire that it would have to multiply many times its effective fighting forces. It is another form of "Blame it on the war."

IS IT WORKS OR WAR?

Dealing with what we may call uncontrollable expenditure, that is to say, expenditure necessary for the conduct of civil government and required to meet interest and other obligations of the Dominion, we cannot look forward to any reduction over the past year. The Dominion has large undertakings under contract for construction. Chief among these may be mentioned terminal and harbor works, and improvements in our larger port cities, the completion of the National Transcontinental Railway and the Quebec Bridge, the Hudson Bay Railway and the Welland Canal.

A very pertinent question will press for answer as time goes on. What is the paramount need this year, and so long as the war lasts—is it public works or the power to make war? Is