

THIRTEENTH DOMINION BUDGET STATEMENT OF HON. MR. FIELDING.

**The Current Year will Show \$16,500,000 Surplus—
Gratifying Increase in Current Revenue
—Details as to Canada's Loans in London.**

To Hon. Mr. Fielding belongs the distinction of having presented thirteen successive annual budget statements in the House of Commons. This year's budget speech, following upon months of trade quickening, naturally had more in it of "good cheer" than the Finance Minister's address of last session.

Though the completed fiscal twelvemonth (that closing March 31, 1909), was one of some trade depression, Mr. Fielding was able to announce a surplus of current receipts over current expenditures that amounted to \$1,500,000. Owing chiefly to the Transcontinental Railway, the public debt increased by about \$45,969,000, the total net debt at the end of the fiscal year being \$323,930,000. Up to March 31, 1909, the sum of \$58,391,263 had been invested in the N.T.R., about \$27,000,000 having been since expended, making something over \$85,000,000 in all.

Current Year's Encouraging Showing.

Coming to the current year, Mr. Fielding had a mass of encouraging figures to present. He estimated that the revenue for the current year would on the past figures be, in round figures, \$97,500,000. "I may be too conservative," he added. There are still three and a half months to run, but up to December 1 the income had been \$64,656,509, a gain in eight months of nine and a half millions. Surplus will be about \$16,500,000.

Touching upon the matter of trade recovery, Mr. Fielding stated that up to October 31 last, for the seven months of the present fiscal year, the trade of Canada had exceeded that of the corresponding period last year by \$48,400,000. Bank deposits were also referred to, the total in Canadian chartered banks on October 31 last being \$731,860,000 or three times larger than ten years ago. Immigration was also referred to, the point being noted that an increase of 20,824 had occurred so far this year. One point mentioned was that while British immigration was slightly less, that from the United States was increasing.

Naturally, the Finance Minister's reference to naval expenditure was eagerly awaited. This will, as he announced, be chargeable to income. "There will have to be," said Mr. Fielding, "a quite large expenditure distributable over a number of years."

Next, Mr. Fielding came to the question of bounties, which he considered in about the same category as railway subsidies. The iron and steel bounties, Mr. Fielding explained, expired on December 31, 1910, but he made no announcement as to what the Government policy was in the matter. He gave, however, a general support of the bounty system and the theory that the country got its return for the money expended in the development of trade.

Trade Relations With Other Countries.

Referring to trade relations with other countries, Mr. Fielding spoke of the commission now studying conditions between the Dominion and the British West Indies. As to the French treaty, Mr. Fielding looked for increased trade from its operation. He intimated also that trade negotiations might be entered into with Italy and Belgium.

Mr. Fielding welcomed "the admirable message of President Taft" and "his appreciation of what is due to Canada." "There is, under the circumstances," added the Minister, "no cause for anxiety about the tariff."

"So far as tariff changes are concerned, there are none," remarked the Finance Minister. "The tariff is not perfect, but frequent changes are not in the public interest. There was a general revision two years ago, and so far that has been found sufficient."

Mr. Fielding next referred to the question of combines and promised the introduction "at an early day" of a measure respecting them. He sounded a note of caution, however, against undue interference with important business interests. The plan as outlined by Mr. Fielding was that when there was reasonable case for enquiry into a charge of enhancing prices, the Government would cause an investigation to be instituted and provide reasonable counsel expenses.

The Growth in the Public Debt.

Speaking of the Dominion loans and the country's indebtedness (net debt being \$323,930,000 at March 31, 1909), Mr. Fielding stated that since he became Finance Minister, the increase had been about \$65,500,000. He further stated that 95 per cent. of the country's undertakings in the past thirteen years have been paid out of revenues. He also declared that the unit of taxation was on March 31 last \$45.85 a family on the basis of a population this year of 7,450,000. After dealing with the matter of loans generally, Mr. Fielding then gave the technical details of the loan of £6,442,132, which falls due on January 1 next, and for which provision must be made.

Details of Loan Transactions in 1909.

Details of Dominion loan transactions during the fiscal year 1909 show that on November 1st, 1908, the 4 per cent. loan of 1878-9 for £4,500,000 or \$21,900,000 matured. The sum of \$8,422,797 was redeemed in cash; \$6,946,398 was converted into 3 3-4 per cent. loan of 1908-12; \$2,386,855 was converted into 3 1-2 per cent. 1930-50 (October issue); \$3,751,597 was held in the various sinking funds and cancelled; \$392,349 was held in consolidated fund investment account and cancelled.

It was in June, 1908, that a 3 3-4 per cent. loan of £5,000,000, due 1st May, 1912, was floated in London. This loan was issued at par and was raised for the purpose of providing for maturing obligations and construction of public works. Holders of 4 per cent. bonds and stock, due 1st November, 1908 as above, were offered in exchange an equivalent nominal amount of this issue. It is to be noted that an option, up to September 30th, 1910, was allowed, to holders of this 3 3-4 per cent. stock and bonds, of conversion into 3 per cent. inscribed stock 1938, on the basis of £100 of that stock for each £100 of 3 3-4 per cent. stock or bonds.

In October, 1908, a loan of £5,000,000 3 1-2 per cent. stock due 1st July, 1950, with option to the government to redeem at par on or after 1st July, 1930, on giving six months' notice, was placed on the London market. The loan was issued at par and was raised for the purpose of providing for obligations in connection with the construction of the National Transcontinental Railway and for other purposes. Holders of 4 per cent. bonds and stock which matured November 1st, 1908, were offered an