

BRITISH PUBLIC EXPENDITURES.

THE heavy increases which have occurred in the national expenditure of Canada in recent years have been paralleled by those in the United Kingdom in the period from 1890 to 1900. There is too much reason to fear that one of the characteristic tendencies of this age is, an increasing disregard for economy in both private and public expenditures. Thrift, by which the vast accumulations of capital, now at the service of the world's industrial, mercantile and financial enterprises, have been secured, is tending to become an obsolete virtue. Private expenditures run in the present day much closer to income, and more frequently exceed it than in earlier days. We have no intention to discuss at present the causes of this looseness of rein over the spending habit, but, speaking generally, it may be assumed as a fact, that the cheapening of money by its abundance, as compared with earlier days, and the elasticity and buoyancy of economic conditions which have given all classes much wider opportunities for making money than ever before existed, have combined to lessen the necessity for saving against a rainy day. Traders at one time who failed very rarely recovered their position, and the danger of permanent ruin induced caution and thrift. Governments which disregarded economy were apt to be condemned, as the people who were thrifty with their money required their rulers to be so with the public income. The people, being less prudent in their private financing, are now less severe in their judgment of any government which has exemplified the same policy.

In England the people are giving an overwhelming vote in favour of a government and a party whose expenditures in the last decade have been going up "by leaps and bounds." The following shows the net expenditure of the Imperial Government in each year since 1890:

1900	\$643,110,000	1895	\$443,896,000
1899	518,650,000	1894	430,465,000
1898	495,200,000	1893	427,398,000
1897	484,310,000	1892	428,100,000
1895	465,740,000	1891	414,385,000

The war in Africa accounts for much of the increase in 1900, but it is manifest that there has been a remarkable expense in the national outlay yearly for a long period. The expenditure of England increased yearly from 1891 to 1899 at an annual average of \$11,475,000, the gross increase in that period being \$104,265,000, which is over 25 per cent. The increase from 1890 to 1900 was over 55 per cent. The net expenditure of England in the two five year periods, 1890-5, 1895-1900, is given by an eminent English financial organ as follows, the sterling amounts being stated in currency at par:

	1895-1900	1890-1895	Increase or Decrease
Army and Navy	\$1,119,675,000	\$809,524,700	Inc. \$310,150,800
Civil service,	172,695,000	159,444,000	Inc. 13,251,000
Education,	256,480,000	184,590,000	Inc. 71,890,000
Local subsidies,	306,528,000	255,656,000	Inc. 50,872,000
Cost of Collection,	58,889,000	55,484,900	Inc. 3,404,100
National Debt,	595,496,000	597,502,440	Dec. 2,006,440

What is highly significant as to the difference between the financial administration of Great Britain and that of Canada is the decrease in the British national debt in the ten years during which the national expenditure rose 55 per cent., or over two hundred millions of dollars. This arises from there being an appropriation necessary to be made in each British Budget of a sum for reducing the debt. In considering the increase in the national expenditure of England as a precedent for increases in Canada, it would be well to bear in mind the annual appropriation made in the British Budget towards reducing the debt, and to follow that precedent with the Dominion debt. Although the expenditure of Canada has not enlarged proportionately as much as that of the old country, it has increased very heavily, the ordinary expenditure having in the last twenty years risen from twenty-three and a half millions to nearly double that sum. While the revenue continues to expand as it has done in recent years, since good times returned, the national expenditure for ordinary services will excite no general reprobation, but, when the reaction takes place, when prosperity again wanes and hard times return, there will be such a serious outcry raised against the large outlays of the government then in power as will endanger its stability.

THE GOLD SUPPLY.**MR. KRUGER'S PROMISES TO PAY.**

The annual meeting of shareholders of the Bank of Africa held in London on the 26th ultimo, afforded others than the shareholders of the bank something to think about. The opinions expressed at such a meeting are more valuable as a guide to the prospects of the country recently devastated by war than all the platform utterances of politicians and the views of returned soldiers, and it is cheering to note that the gentlemen who control the Bank of Africa anticipate a great development of the country's resources, although we are warned against expecting "immediate exuberant prosperity" on the cessation of hostilities.

It is interesting to note that the bank's manager calculates the diminution in the world's supply of gold during the year, owing to the war in the Transvaal, to have exceeded \$80,000,000. The report to the shareholders also contained an allusion to the "commandeering" of gold, March last, by the Boers amounted to \$2,500,000, of which \$250,000 belonged to the Bank of Africa. It seems, from the statement submitted to the shareholders, that the bank was promised raw gold in place of the minted coin. However, Mr. Kruger has been travelling so extensively of late that his promise cannot be regarded as a binding declaration of something to be done, and the bank is still waiting the fulfilment of the undertaking.