

\$3 per ton on pig-iron on the proportion made from Canadian ore, and \$2 on the proportion made from foreign ore. The Act of 1899 provides, that the above bounties shall be paid until 30 June, 1907, at a yearly decreasing rate from 1902; 90 per cent. to be paid in 1902-3; 75 per cent. in 1903-4; 55 per cent. in 1904-5; 35 per cent. in 1905-6, and 20 per cent. in 1906-7.

These bounties have doubtless had a great influence in tempting capitalists to engage in large enterprises for the production of iron and steel. The policy of granting bounties to manufacturing enterprises is developing results that promise to fully justify the bounty system, for the benefits which will, in all probability, be reaped by the whole country from the development of the iron and steel trade, with its associated interests and industries, will greatly outweigh whatever increase in the public expenditure is caused by the bounties on the production of iron and steel in this Dominion.

#### EMPLOYERS' LIABILITY ASSURANCE CORPORATION.

The directors' report, revenue account and balance sheet of the above Company appear on a later page in this issue. The Company's previous reports have been made up for the year ending 31st March, but, as this date was found inconvenient, it has been decided to make up the accounts to 31st December. This has been done with those before us which, consequently, cover only nine months. The premiums for this period were \$1,574,815, against \$1,356,050 in same period of previous year, the increase being \$218,765. An income of \$68,303 was derived from interest and rents and from profit on exchange, which, with the premiums, together made \$1,650,524 as the income for nine months. The sum of \$1,295,176 was paid out for losses and commission, other outlays amounted to \$184,934, which made a total outgo of \$1,480,110. As the revenue for the nine months was \$1,650,529 when the total outgo of \$1,480,110 is deducted there is a balance left of \$170,414, which, being added to the net amount brought from previous account, viz., \$1,249,882, make a total of \$1,420,296, which is carried to Revenue Account. The Company has a subscribed capital of \$3,750,000, of which \$750,000 is paid up, upon which dividends have been paid of 10 per cent. without taking anything from reserves. The balance sheet shows the Company to have investments amounting to \$2,390,680, \$109,424 cash at bankers, \$27,545 interest and rents accrued and \$456,164 due for branch and agency balances, premiums and owing by other companies, which items make the assets \$2,983,755.

At the annual meeting the president, Lord Claud Hamilton, stated that as compared with previous year "the Company's investments were \$175,000 to the good." He stated that many of the rates quoted by competing companies could not be profitable,

The Canadian business shows a receipt of \$134,875 for year 1901, which is an increase of \$41,750 over 1900. The claims paid were \$62,149, and expenses \$41,029, which left a satisfactory trading profit on the year's business, a result that speaks well for the management of Messrs. Griffen and Woodland who represent the Employers' Liability Corporation in Canada.

#### THE BRITISH BUDGET.

##### DUTIES ON WHEAT AND FLOUR, STAMP DUTIES AND A NEW LOAN.

In spite of the enormous increases in the national expenditure and debt which the Chancellor of the Exchequer had to announce and provide for he spoke in his Budget speech in anything but a gloomy tone. He declared that, neither in the home trade, nor in the consuming capacity of the people, were there any signs of decrease, while in the foreign trade there had been a satisfactory increase. Such conditions enable the burdens laid on the people by the War to be borne without distress or any breach in their patriotic unity. The national debt was stated to be £747,806,000, or, in currency at par, \$3,739,000,000 which the Chancellor of the Exchequer said he hoped would be reduced by receipts from the Transvaal and from the Chinese indemnity. The British funded debt now stands about the same amount as it did from 1868 to 1870, and is exactly £40,000,000 or, \$194,800,000, less than in 1836. In 1836 the average of the British debt was £30, or \$150 per head of population, whereas to-day the average is about £17 8 0 per head, or, \$86. In 1870 the debt stood at \$129 per head, so that the present debt now averages \$64 per head less than 66 years ago, and \$43 per head less than 32 years ago. There is, therefore, nothing to cause alarm in the British national debt, especially when it is considered how much richer is the old land and greater its revenue-yielding resources than in days when the debt was much larger.

The expenditure for coming year was estimated at \$873,045,000 and the revenue \$738,925,000. As other war charges have to be provided for the deficit will be \$220,000,000. To meet this there will be no appropriation to sinking fund, a sum for which, ordinarily, has to be provided. The income tax is to be increased one penny in the pound; a stamp duty imposed on sight bills and other documents, and a duty of three pence per hundredweight (112 pounds) on grain, and five pence per hundredweight on flour, meals and products thereof. The latter duties have created a great sensation, as no duties on breadstuffs have been imposed in England since