THE BRITISH BUDGET.

War Outlays Pinch but do not Embarrass Great Britain.

The Budget, brought down on April 18th, by Sir Michael Hicks-Beach, Chancellor of the Exchequer is likely to be of historic celebrity, not for its policy, but for the enormous provision it proposed to make for meeting Imperial requirements. The expenditure of the United Kingdom for the current year is estimated at $938,000,000, which is about 21.75 per head of the whole population for the year, which is $1.81 per head per month. The new taxation to be imposed comprises an increase of two-pence in the pound of income tax, which is thus raised to one shilling and two pence, or about $5.60 on the $100. The duty on sugar is to be raised to $1.04 per cwt., which is about one cent a pound on refined sugar, including West Indian. Raw sugar is to pay a duty, varying according to the degree of saccharine matter; and, on molasses, the duty will be two shillings, or, say, 50 cents, per cwt.; and, on glucose one shilling and eight pence per cwt. An export duty will be laid upon coal of one shilling per ton. This item was much objected to when first announced, but the impost is now generally approved. In the last 20 years the exports of British coal have been increasing year by year, the average in that time having been over 35 millions of tons. In 1900 the exports of coal were 46,108,000 tons. The principal foreign buyers of English coal are Russia, Sweden, Norway, Denmark, France, Holland, Spain, Italy and Germany. If, then, as some economists affirm, an export duty is paid by the buyers of exported goods, these countries will contribute something towards the cost of the South African war, which will add another illustration of the ironies of fate. The large exports of British coal have increased its price to the British people, and, as the Chancellor of the Exchequer said, "The rise in prices must have injured important home interests, notably railways." If, then, the export duty lowers the cost of coal to the people of Great Britain, this will be some compensation for the increase in price of sugar.

On spirits, tobacco, beer, wine and tea no additional duties are to be levied, as it is believed that they are already as high as they will bear to yield the maximum revenue of which they are capable. Great Britain has paid a much higher income tax without distress, even when the resources of the nation were far less than at present. The Chancellor of the Exchequer stated the amount of the national debt on 1st inst., to have been £687,500,000, a large amount, but £153,350,500 less than it was in 1817, when the population was not one-half what it now is, and when the productive resources of the United Kingdom were not a quarter of what they now are. The increase in the national debt since the South African war broke out is small in comparison with the increase which took place between 1793 and 1817, in which period the debt rose from £239,350,000 to £840,850,500, an increase of from £16 per head of population to £42 per head. The amount of the debt of Great Britain, the annual changes thereof, the average amount per head of the debt, and of the yearly charges at various dates were as follows:—

Year.	Debt.	Charge.	Per Head of Debt.	Per Head of Charges.
	$	$	$	$
1793..	1,196,750,000	46,042,500	79.10	3.07
1817..	4,502,180,000	160,190,500	210.25	8.01
1880..	3,870,221,000	137,440,900	112.16	3.98
1900..	3,052,388,000	....	73.55	....
1901..	3,437,500,000	*100,000,000	81.80	2.45

*Estimated.

The above exhibit affords no ground for those pessimistic views of the financial situation in Great Britain in which some of our contemporaries have indulged. One local journal, for instance, in announcing the delivery of the British Budget had this flaring line on its bulletin board, "Great Britain on the verge of ruin!" The wish was, doubtless, father to the thought, but a parent so ill-informed and so malicious and so unpatriotic could not be expected to produce intelligent offspring.

Sir William Harcourt in criticising the Budget showed how far political animosity can pervert the judgment and lead a speaker to distort the facts. He said that Great Britain was now poorer, owing to the war, than she was a century ago! In 1801 the Bank of England held only deposits to extent $40,670,000, as compared with $245,000,000, the amount held a few days ago. At that time Consols were ranging from 55 to 60. At that time bread was so scarce that an Act of Parliament was passed prohibiting the sale of bread that had not been baked 24 hours. Wheat was 156 shillings per quarter, or $4.73 per bushel, black bread was in common use by all classes, and the lower classes were on the brink of starvation all over the kingdom. It is, therefore, absurd to compare the social, commercial and financial condition of the people of Great Britain in 1801 with their condition in these respects in 1901, the former was a time of acute national distress, of national credit at its minimum, of a struggle with the most powerful foe who ever seriously threatened the humiliation, if not the conquest of England. Then, out of her poverty England was pouring out vast sums in war expenses, now, her war expenditures are being drawn out of her vast financial reserves, and from a credit that commands supplies equal to all her needs. Wise or foolish as it may be for England to maintain her Free Trade policy, it is marvellous evidence of her internal financial strength, that, when an enormous increase in revenue is demanded, the Chancellor of the Exchequer brings down a Budget in which there is not a sign of relaxing the fiscal policy which opens British ports free to the manufactures and the cereal products of the world. Pinched the old land is by its vast expenditures, but of embarrassment there is not the trace of any sign.