

It is being asked is it likely there can be any disturbance of the money market now money on call is from 3½ to 4½ p.c., in New York, when a rate ten times as high failed to arrest the speculative movement. Financial developments since the new year set in are not regarded as having come up to expectations. Bank reserves are exposed to withdrawals by the sub-treasury, and it is quite possible there will be exports of gold occasioned by the Bank of France securing power to enlarge its note issues to the maximum \$1,160,000,000.

The threatened coal miners' strike may prove somewhat disturbing but at present not much alarm is felt. The adverse elements in the financial situation are largely problematical while more favourable ones are positive and assured. The magnificent harvest of 1905 in both the United States and Canada, with fair prices ruling, the growing earnings of the railways, the lively demand for goods for foreign markets, the enlarging deposits are factors in the financial situation which are full of promise.

THE FINANCES OF THE PROVINCE OF QUEBEC.

STATEMENT OF REVENUE AND EXPENDITURE FOR FISCAL YEAR, 1905.

The revenue of the Province of Quebec last year was derived from the following sources:

Balance in banks, 30th June, 1904.....	\$224,656
Dominion subsidies	959,252
Special subsidy	127,460
Interest on trust funds	73,835
Interest on railway subsidy	108,713
	<u>1,269,262</u>
Lands, Mines and Fisheries Department.....	1,502,390
Administration of Justice Department....	269,285
Licenses, hotels, shops, etc	745,360
Taxes on commercial corporations	303,882
Registration stamps	78,485
Succession duties	183,382
Interest on price of Quebec, Montreal, Ottawa and Occidental Railway.....	318,148
Fees, Gazette adverts., rents, interest and casual revenue	84,036
Lunatic asylums	116,030
Reformatory and industrial schools	23,446
Reimbursement, railway subsidies tax	41,421
Exhibition Grounds, Montreal, on account of sales....	15,207
Sherbrooke Court House, proceeds of debentures sold.	61,050
Quebec Court House tax	10,505
City of Hull Sinking Fund	8,686
Marriage License Fund	8,178
Miscellaneous receipts	10,656
	<u>\$5,374,615</u>

The payments made by the province were:

Public debt, interest and charges.....	1,601,659
Legislation, Legislative Council	34,626
" " Assembly.....	135,024
Printing and binding	50,386
Library	9,211
Expenses of elections	45,907
Civil Government	282,980
Administration of Justice.....	610,723
Police	40,139

PUBLIC INSTRUCTION.

Superior Education	87,410
Public Schools.....	160,000
Normal Schools.....	53,500
Inspection of School.....	43,000
Elementary Schools	39,772
Night Schools.....	22,227
Sundries.....	61,351
	<u>467,260</u>
Literary and Scientific Institutions.....	1,200
Arts and Manufactures	15,000
Colonization and Immigration and Public Works....	327,347
Agriculture.....	3,563
Lands, Mines and Fisheries.....	228,362
Lunatic Asylums.....	465,415
Reformatory and Industrial Schools	57,565
Charitable Institutions.....	45,120
Charges on Revenue and Miscellaneous Services.....	264,464
Montreal Exposition Co.....	30,506
Sherbrooke Court House	69,961
Trust Funds.....	21,462
Railway subsidies.....	124,892
Miscellaneous.....	2,248
	<u>5,237,186</u>
Deduct Balance of Warrants.....	14,836
	<u>5,222,350</u>
Balance.....	151,665
	<u>\$5,374,015</u>

PROVINCE OF QUEBEC.

STATEMENT OF THE PROVINCIAL DEBT.

The Funded Debt Statement in the public accounts of the Province of Quebec for year ended 30th June, 1905, is as follows:

Date of Maturity.	Interest Rate. Per cent.	Amount Outstanding \$	Sinking Fund. \$	Balance \$
1st May, 1906.....	4½	2,723,873	2,203,613	520,259
1st May, 1906.....	5	3,111,746	3,111,746	.....
1st November, 1908..	5	2,698,000	2,698,000	.....
1st July, 1919.....	4½	1,723,481	.....	1,723,481
At year's notice.....	5	1,712,580	.....	1,712,580
After 1st July, 1912..	5	780,500	.....	780,500
1st January, 1928... 4	4	3,182,800	.....	3,182,800
1st March, 1934... 4	4	2,530,666	.....	2,530,666
20th January, 1955.. 3	3	5,332,976	.....	5,332,976
1st May, 1936..... 4	4	292,000	.....	292,000
1st April, 1937..... 3	3	1,369,000	.....	1,369,000
1st April, 1937..... 3	3	9,236,061	.....	7,967,203
		<u>\$34,684,685</u>	<u>\$10,182,212</u>	<u>\$</u>
Balance of Funded Debt.....				\$24,502,473

The sinking funds invested consist of \$7,600,000 price of sale of Quebec, Montreal, Ottawa and Occidental Railway to the C.P.R., \$2,394,000, Dominion subsidy for same railway and \$188,212. Province of Quebec 3 p.c. inscribed stock.

Besides the funded debt the province owes \$1,120,476 for "Temporary Loans & Deposits," consisting of \$700,000 due to the Bank of Montreal, \$189,174 "Teacher's Pension Fund Capital Account," \$10,500 "Public Officer's Security Deposits," and the deposits of Fraternal insurance, and other societies doing business in the province.