

the town being built on rock which prevents excavations being cut for mains, but when the river and canal are so near it would be easy to have a pumping apparatus that would be very effectual for fire protection service. It is extraordinary to find a town-like St. Anne, where water power is so abundant and so accessible, without electric lights. The only artificial light in use in the town is provided by coal oil lamps which add greatly to the fire risk.

#### THE LONDON ASSURANCE CORPORATION.

The above Company's statement of the business and position of its Fire Department appears in full on a later page in this issue, from which it appears that the results of the past year were satisfactory. The London Assurance Corporation has gone on steadily increasing in strength since the early years of the reign of George I. Its promoters watched, no doubt, with anxiety the blowing out of the South Sea Bubble, they talked of the death of the great Duke of Marlborough at the office of the new Corporation, and, very probably, did their share in steadying the national mind when it was seriously disturbed by wild financial schemes. At any rate, they founded what was then a comparatively new form of enterprise, and how well they laid its foundations is manifest by the present stability of the structure after all the storms and stress of nearly two centuries.

The net premium income amounted to \$2,259,620 and losses inclusive of all claims to 31st Dec., 1901, were \$1,279,361, the ratio of losses to premiums being 56.61 per cent. The amount of the Fire Fund at close of 1900 was \$3,273,180. After paying losses and expenses and transferring \$300,000 to Profit and Loss account the Fire Fund amounted to \$3,390,320, an increase of \$117,140 over the balance at end of previous year. The Profit and Loss account shows a credit balance of \$797,443, out of which a dividend was declared of 20 per cent. The Company has assets to extent of \$20,315,954, the larger portions of which are invested in first-class securities. The Canadian business is under the judicious management of Mr. Lilly.

#### RECEIPTS AND EXPENDITURES OF THE DOMINION.

The table below gives the total receipts and expenditures of the Dominion since Confederation. The outlays are classified to show: 1st, how much was charged to "Consolidated Fund," which includes the current, or ordinary expenditures; 2nd, what amount was charged to "Capital Account," which covers works of a permanent nature; 3rd,

what sum was paid for "Railway Subsidies"; 4th, the appropriation for "Sinking Funds." The revenue receipts being nearly all those passed to Consolidated Fund, that alone is given as the other receipts have little public interest and are often mere book-keeping entries.

It is necessary to be familiar with a comprehensive table like this in order to judge intelligently as to the financial policy of whatever government is in power. The large figures of a single year taken by themselves are apt to mislead the observer. Thus we hear of some one year's deficit or surplus spoken of as exceptionally large, or otherwise, when by comparison with other years it has no particular feature, but runs about the average. A common defect in criticisms of public expenditures is the ignoring of the special conditions of the year under review, more especially as regards the needs of the country and its capacity to provide for what is required. During a time of depressed trade, the public revenue falls off and needful public works are apt to be neglected. Then the revenue revives and not only have the needs of the day, as it were, to be met, but money has to be spent to make up for what was neglected to be done during the depression. It will be noticed that the revenue was advancing steadily up to 1830, when it rose to \$39,879,925. Then a check occurred to Canada's prosperity, which sent the revenue down year after year until in 1895, it reached the minimum since 1887, viz., \$33,978,129, which was below the average of preceding 14 years. During those "hard times" years, 1890 to 1896, the needs of the Dominion for enlarged public works were very urgent, yet they had to be starved as the revenue was rapidly declining. The expenditures, therefore, on public works, in the years from 1830 to 1895 averaged yearly only \$3,219,000, whereas, in preceding 4 years, the yearly average was \$6,403,000, and in preceding 14 years, the average yearly was \$9,120,000. After a series of years when the revenue was falling like the barometer before a storm, during which time public works were necessarily put on short diet, it was inevitable when the revenue again rose as it did after 1896, that heavy expenditures in public works would be necessitated to make up for their comparative neglect during the depression, and to provide the country with transport and other facilities which were urgently necessary for its commerce and future development. The following table giving the details of each year from 1868 to 1901, and the one in which the figures are given for groups of 10 years each since 1871, will be appreciated by those who desire to have authentic data for judging the finances of the Dominion so far as they are shown by revenue and expenditure as viewed from a non-partisan stand-point.