

knowledge of men of the different countries with which he has to deal." He passed on to speak of Mr. Thomson's "geniality at all times, his untiring industry, his sterling common sense, his services to the actuarial profession, and his willingness to let his subordinates bear their due amount of responsibility—the only course by which a large institution can be satisfactorily managed."

In responding to the toast, Mr. Thomson said:—"During all the thirty years of my managerial career I set it to myself as a particular duty to do the utmost in my power to live in honourable competition with all other offices, and to eschew all paths to advancement of my own office which might be traversed by other than fair means, and I would fain express a hope that in this end I have not been altogether unsuccessful, but that even in these days of over-wrought competition, it is still possible to maintain a friendly rivalry without transgressing into the paths of selfishness at the expense of others."

Mr. Thomson closed his speech by speaking of his successor, Mr. Leonard W. Dickson, as one who "joined the gentle and tactful and conscientious consideration of the theorist with the manfulness and stature of the man of action, one who will speedily win your hearts and be accepted as a worthy representative and ornament of the actuarial profession."

The proceedings were enlivened by musical selections, and wound up by the singing of "Auld Lang Syne."

THE FINANCIAL AND TRADE EXPANSION OF THE DOMINION.

REVENUE AND EXPENDITURES; TRADE DEVELOPMENT; BANK RESOURCES AND BUSINESS; COST OF DEBT PER HEAD; PESSIMISM UNJUSTIFIED.

It is generally admitted as a principle that one duty of citizenship is to show an intelligent interest in the public affairs of the country. While this general principle is universally recognized in modern nations, more especially where a broad franchise and liberty of speech prevail, the duty it necessarily involves is not so generally observed. In order to obtain an intelligent knowledge of the country's public affairs, some attention must be given to the national finances, particularly to the revenue and expenditure. It follows that the statistics which exhibit the course and condition of the public finances, must be so stated that they can be examined from a non-partisan point of view, for, if they are distorted, or in any way misrepresented, the judgment of the observer is almost certain to be also distorted and lacking in intelligence.

The tables presented in this issue are prepared from the last Report of the Minister of Finance.

In comparing the public revenue and expenditure of last year with earlier ones it must be borne in mind that these are not self-originating causes, but they are the consequences of movements whose impetus has been largely given by natural forces and by what those forces have developed. As the income of the country keeps on expanding from harvest crops, from the profits of manufacturing, dairying, mining, fishing and other industries, there is induced a corresponding movement for disbursing this growing income, which leads to larger imports,

hence to larger revenue from Customs duties, Excise, and other sources. As the revenue keeps on rising, the expenditures are drawn upwards, for it seems an economical law of national finance that a correspondence will be maintained between a country's income and its outlays. When, then, we observe Canada to have had an income in 1871 of \$19,375,036, and an expenditure of \$19,293,478, we are quite prepared to find that when, in 1891, the income was \$38,579,310, the outlays ran up to \$40,793,208, and for this movement to be kept up.

As revenue receipts keep on rising under the influences of prosperity, like the thermometer when influenced by the sun's rays, so, under the same influences, public expenditures are also expanding, for the same optimism, confidence, hope in the future, which are inspired by good times and felt throughout the business world, are moving forces also in the sphere of government. The rulers of a nation who administer its affairs are not isolated from the people, they breathe the same atmosphere; they reflect the humour and tendency of the times; they do not "create" revenue, nor do they disburse it without the, more or less, direct participation of the country.

The following statistics show the relative degrees by which the revenue and expenditure of the Dominion; the imports and exports; the bank circulation, capital, deposits and discounts, have severally been enlarged since 1868, and between 1887 and 1903, with the percentages of increase for each item and each term:—

	1903.	1887.	1868.	Inc p. c. 1903 over 1868.
	\$	\$	\$	P. c.
Revenue.....	69,348,084	35,755,530	13,687,928	406 p.c.
Increase p.c. over 1887.....	94 p.c.	.....	.....	.....
Expenditure.....	61,746,571	41,504,151	14,071,688	338 p.c.
Increase p.c. over 1887.....	49 p.c.	.....	.....	.....
Imports.....	241,214,961	112,892,236	73,459,644	228 p.c.
Increase p.c. over 1887.....	114 p.c.	.....	.....	.....
Exports.....	225,849,724	89,515,811	57,567,888	292 p.c.
Increase p.c. over 1887.....	152 p.c.	.....	.....	.....
Bank capital paid up.....	78,738,355	60,861,561	30,507,447	158 p.c.
Increase p.c. over 1887.....	29 p.c.	.....	.....	.....
Circulation.....	58,649,970	32,478,118	9,350,646	527 p.c.
Increase p.c. over 1887.....	80 p.c.	.....	.....	.....
Bank Deposits in Canada.....	405,157,450	112,656,985	33,653,594	1103 p.c.
Increase p.c. over 1887.....	259 p.c.	.....	.....	.....
Savings Bank de- posits.....	85,700,000	50,924,418	5,057,607	1590 p.c.
Increase p.c. over 1887.....	68 p.c.	.....	.....	.....
Discounts.....	409,196,073	139,753,753	52,299,050	682 p.c.
Increase p.c. over 1887.....	193 p.c.	.....	.....	.....
Cost of Public Debt per head.. per annum	\$1.65	\$1.85	\$1.29	27 p.c.

Such a record as the above shows how wholly unjustifiable, how singularly out of place, is the note of pessimism in considering the situation and prospects of Canada.