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THE BUDGET.

The Hon. Mr. Fielding's Budget Speech this year, the ninth of his series, was interesting because, for one thing if we may so express it, of its lack of startling interest. It was well understood, before its delivery, that there would be no startling changes in the tariff. Those that were made seem on the whole to have met with general approval. For instance, the duty on rolled oats is raised to 60 cents per hundred pounds, as heretofore the duty on the raw material was actually higher than that on the finished article. The duty on dry white lead, the raw material of paint manufacture, is raised to 30 per cent., owing to the encouragement given to lead mining in British Columbia, and to the establishment of an industry to use that product in Montreal. Mr. Fielding repeated that at as early an opportunity as possible the whole question of the tariff will be carefully investigated by a commission which will take evidence in public on both sides, and referred again to his proposal to enact a three-fold system of duties, maximum, minimum, and preferential.

A pleasing feature of the budget was Mr. Fielding's statement that for the fiscal year ending June 30th last, the surplus had been, as foreshadowed by him, over $15,056,000, the largest in Canada's history. The actual average surplus during the last eight years had been about $7,054,000. The actual expenditure for 1903-4 was $55,612,000, or an increase of $6,637,000, while even with the brightest prospects there would prove to be but a very moderate increase in the revenue. Of course, as the minister stated, in a growing time it is necessary often to increase a person's or a nation's expense account; nevertheless there is no doubt that Canada's expenditure has of late been going up with leaps and bounds, and it is evident that great watchfulness will be needed to prevent it going beyond due limits. Mr. Fielding himself alluded to this, but with all due respect to that gentleman, it may be intimated that something more than allusion is required—the point is one that will have to be most carefully borne in mind and acted on. This is emphasized when the fact is recalled that in the near future the country will be called upon to borrow something like $100,000,000 for the new railway, besides a very large amount to provide for expiring loans. It is estimated that for the current year the total appropriations on consolidated revenue account would amount to $71,889,000, and Mr. Fielding is optimistic enough—we do not dispute he may have warrant for his optimism—to believe that the revenues would still be sufficiently large to leave a million or so to the good. Probably we have now reached a time when we must expect to see very considerable sums chargeable to capital account devoted to railway construction.

Another important announcement made by the Minister of Finance was as to his determination to attempt to rid the country of the present flood of American silver, though as a matter of fact we believe this has not yet attained to any such large proportions as was the case some twenty-five years ago. The plan now proposed is for the banks to take the silver at par, as a discount might interfere with trade. The banks would be paid a small commission by the Government of three-eighths of one per cent. for their trouble, and the Government would pay express on the coin sent abroad. Incidentally Canada would receive a material profit on the transaction by the substitution of Canadian for American silver, for while there is no profit in coining gold, as the intrinsic and the face values are the same, yet silver is not worth nearly so much as the stamp on the coin indicated. The loss by deportation would be met ten times over by the profit on Canadian coinage which would replace American silver. The Government